



Daily Report

East Asia

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Japan

NATO Air Strikes on Bosnian Serbs Supported
*OW1104032894 Tokyo KYODO in English 0315 GMT
11 Apr 94*

[Text] Tokyo, April 11 KYODO—Japan expressed its support Monday for air strikes by two NATO aircraft Sunday on Bosnian Serb forces advancing on the Moslem town of Gorazde in Bosnia.

Chief Cabinet Secretary Masayoshi Takemura told a news conference, "we understand it was an unavoidable action taken in line with UN resolutions."

Japan hopes that the Serbs take the air raids as a message from the international community and that the dispute be settled through talks, the top government spokesman said.

Matsunaga Leaves for Morocco GATT Meeting
*OW1104142294 Tokyo KYODO in English 1410 GMT
11 Apr 94*

[Text] Tokyo, April 11 KYODO—Japanese Government envoy Nobuo Matsunaga left for Morocco on Monday night to attend a ministerial meeting of the General Agreement on Tariffs and Trade (GATT), officials said.

The government decided earlier Monday to send Matsunaga, the trade representative for external affairs, to Marrakech for the signing of a new global trade pact concluded under GATT.

Chief Cabinet Secretary Masayoshi Takemura said the government is still considering sending Foreign Minister Tsutomu Hata to Morocco for talks with U.S. Trade Representative Mickey Kantor on the possible resumption of stalled bilateral trade negotiations.

Takemura said the government wants to reach a quick decision on whether Hata should be in Marrakech at least on Friday, the final day of the four-day GATT meeting.

Hata, however, may not be able to undertake the trip amid the domestic political turmoil triggered by Prime Minister Morihiro Hosokawa's decision to step down.

Matsunaga will also attend a quadrilateral meeting of Japan, the United States, Canada and the European Union, expected on Wednesday, and will deliver a speech at the GATT meeting on Thursday if Hata is unable to go to Morocco, Vice Foreign Minister Kuniniko Saito said.

Saito also indicated that Matsunaga will meet Kantor in case Hata is unable to go to Morocco.

Matsunaga Meets With U.S. TR Kantor 7 Apr
*OW0804014694 Tokyo KYODO in English 0115 GMT
8 Apr 94*

[Text] Washington, April 7 KYODO—A senior Japanese economic official met with U.S. Trade Representative (TR) Mickey Kantor in Washington on Thursday [7 April] but said he is not on a trouble-shooting mission to mend Japan's rocky trade ties with the United States. "I have no request on the part of my government," Nobuo Matsunaga, Japan's government representative for external economic affairs, told reporters after a private session with Kantor.

Matsunaga, who heads a think tank on international relations, said he called on Kantor for advice on setting up a private forum to promote economic cooperation between Japan and North America. "Most of our conversations were about the forum I am thinking to establish," Matsunaga said.

Matsunaga, a close confidant of Prime Minister Morihiro Hosokawa, insisted he and Kantor did not discuss any specific issues on how to resume stalled bilateral framework trade talks.

But Matsunaga said he stressed to Kantor the importance to maintaining healthy bilateral ties between Japan and the United States, a conviction he said Kantor shared. "I am convinced that we can ultimately sort out our differences," Matsunaga later told reporters.

Matsunaga said he met with both Hosokawa and Foreign Minister Tsutomu Hata before coming to Washington and will report back to Hosokawa after returning home this weekend. Apart from Kantor, he met with the top state department official in charge of economic relations, Undersecretary of State Joan Spero, on Wednesday.

On Friday, Matsunaga is scheduled to meet separately with Robert Rubin, head of the White House National Economic Council, and Presidential National Security Adviser Tony Lake.

Matsunaga's trip to Washington came as the Clinton administration was shifting to a less confrontational approach in resolving trade disputes with Tokyo.

"We are moving in a measured and responsible and careful manner in order to work with Japan," Kantor told reporters Thursday.

Kantor said he expects to review all outstanding trade issues between Japan and the U.S. when he sees Hata next week in Morocco. "I expect we will have a good meeting," Kantor said.

Kantor and Hata are going to Morocco to join trade and foreign ministers from around the world in signing a new global trade pact.

More on Aftermath of Hosokawa's Resignation**Hata Discusses General Election**

OW0904080594 Tokyo KYODO in English 0745 GMT
9 Apr 94

[Text] Tokyo, April 9 KYODO—Foreign Minister Tsutomu Hata said Saturday he does not think a general election will be held in the next six months in spite of the political disruption stemming from Prime Minister Morihiro Hosokawa's abrupt announcement on Friday that he would resign.

Hata, also deputy prime minister who is thought to be one of the most likely candidates to succeed Hosokawa, was speaking at the 25th trilateral commission plenary meeting held in Tokyo.

"There is no need for Japan to hold an election now," he told the audience, saying that even Diet deliberations have not begun on the 1994 budget.

Hata, who leads Shinseito, warned the new electoral system for the House of Representatives enacted in January may be scrapped if the next general election is held under the current multiseat electoral system.

The new electoral system combines single-seat districts and proportional representation seats. But a new electoral map has not been drafted yet.

"There are some Diet members who say an election under the current electoral system would be more advantageous for them," he said, adding that such assertion may gain power in the political unrest.

Hata also said whatever kind of a new administration comes about, there will be no policy changes that conflict with Hosokawa's reform drive.

The foreign minister said it will not be clear until next Monday whether he can go to Morocco to attend a ministerial meeting from April 12 to 15 to sign the final agreement on the General Agreement of Tariffs and Trade.

During the gathering, Hata is expected to discuss with U.S. Trade Representative Mickey Kantor on resumption of bilateral framework trade talks.

Leaders Agree To Form Cabinet

OW0904071894 Tokyo KYODO in English 0706 GMT
9 Apr 94

[Text] Tokyo, April 9 KYODO—The leaders of the seven-party governing coalition agreed on Saturday to pick a successor to Prime Minister Morihiro Hosokawa and form a new cabinet next week, coalition officials said.

The leaders also decided to make efforts to initiate deliberations on the fiscal 1994 state budget in the week that will start on April 17, the officials said.

The accords were struck at a meeting of the leaders of coalition partners who banded together to decide on the course of the government following Hosokawa's bombshell announcement Friday that he would step down as premier.

Budget debate has been paralyzed due to a four-week opposition boycott over the premier's refusal to summon his aide over Hosokawa's financial deals.

LDP Politicians Invited to Coalition

OW0904083594 Tokyo KYODO in English 0818 GMT
9 Apr 94

[Text] Sendai, April 9 KYODO—Shinseito [Japan Renewal Party] executive Kozo Watanabe said Saturday [9 April] the ruling coalition would welcome legislators from the largest opposition force, the Liberal Democratic Party (LDP), who want to join the coalition.

"If there are some LDP members who have the courage to join an upcoming cabinet, we welcome them," said Watanabe, a right-hand man of the coalition's behind-the-scene strategist Ichiro Ozawa.

"We will pick the next prime minister from such a broad-minded standpoint," Watanabe said in an apparent reference to former Deputy Prime Minister and Foreign Minister Michio Watanabe of the LDP.

The LDP's Watanabe himself dropped hints on Saturday—for the second day in a row—regarding his readiness to form an alliance with Shinseito.

SDPJ Leader on Coalition Talks

OW0904093294 Tokyo KYODO in English 0909 GMT
9 Apr 94

[Text] Tokyo, April 9 KYODO—Executives of the ruling coalition parties on Saturday agreed on the need to select a candidate to succeed outgoing Prime Minister Morihiro Hosokawa and inaugurate a fresh cabinet by the end of next week.

"We all agree that we have to form a new cabinet within next week," Social Democratic Party (SDP) secretary general Wataru Kubo told a news conference.

The No. 2 man in the largest contingent in the coalition voiced hope that the ruling seven-party union can inaugurate a new cabinet and finish the next premier's major policy speech and a questioning session by representatives from all parties before parliament next week.

Kubo also spoke of the need for the new government to open deliberations on the state budget for fiscal 1994, which started April 1, in the week beginning April 17.

The ruling parties' officials will resume talks on Sunday morning over the selection of a candidate to succeed Hosokawa, who on Friday offered to resign after eight months in office because of controversy over his personal financial deals and stalled Diet budget debate.

At Saturday's meeting, the coalition executives continued discussing a proposal for further coordinating basic policies among the partners of the current coalition before setting up a fresh administration, Kubo said.

The present coalition, an alliance of seven parties spanning a wide political spectrum, set sail last August after the parties in July hammered out an accord on basic policies to establish a government.

The SDP believes the intercoalition agreement should be honored even if the ruling forces move to narrow down their differences on other policy matters, Kubo said.

Some coalition parties contend that now that the Hosokawa government's intention to implement anti-corruption political reform has been achieved, the next government should be created on the basis of a new policy accord to institute new reforms.

This concept could result in forcing the SDP out of the coalition due to its lingering policy differences with other coalition partners.

The SDP secretary general, however, said coalition executives are working to pick a possible successor to Hosokawa while maintaining the current framework of the union.

Also at Saturday's meeting, the officials of the ruling parties listened to a call from an official of a newly created parliamentary group in the House of Representatives on other ruling forces to join the group.

The new group "Reform," consisting of members of Hosokawa's Japan New Party (JNP) and the United Social Democratic Party, was established Friday after the JNP dissolved its parliamentary affiliation with new party Sakigake (Harbinger).

Behind the establishment of the group is Hosokawa's intention to create a new large parliamentary group of current coalition forces as a step toward launching a new party to keep the once-dominant Liberal Democratic Party at bay, political sources said.

Each party of the coalition will consider the call from the new parliamentary group on their own, Kubo said.

Shinseito and Komeito are expected to join "Reform" next week, while the SDP, Sakigake and the Democratic Socialist Party will not take part in the parliamentary group, coalition sources said.

Shinseito and Komeito are envisioning a new government to be made up of parties with full accords on key policies, such as tax reform and policy toward North Korea, party officials said.

The SDP disagrees with their stand, saying the top priority should be how to maintain the seven-party coalition and keep it in power, SDP lawmakers said.

Foreign Minister Tsutomu Hata, also vice premier, is emerging as the front-runner for the premiership, coalition sources said.

In interviews with news organizations, former Foreign Minister Michio Watanabe of the LDP hinted at allying with Shinseito and other parties with which he shares views on Japan-U.S. relations, tax reform and North Korea's suspected nuclear weapons program.

He said the Japanese people want to see an alliance of parties that can execute policy objectives.

Asked about the possibility that some senior Shinseito members may ask Watanabe to run for the premiership if he quits the LDP, Watanabe replied, "Ask the Shinseito members."

Size of Reform Group Discussed

OW0904135594 Tokyo KYODO in English 1344 GMT
9 Apr 94

[Text] Tokyo, April 9 KYODO—Some 150 House of Representatives members will before long rally behind a new parliamentary group set up by the Japan New Party (JNP) led by Prime Minister Morihiro Hosokawa, eyeing a political realignment in the wake of the premier's announcement Friday that he would resign, group sources said Saturday.

The new grouping will be the second largest in the lower house after the 219 seats held by the Liberal Democratic Party (LDP), the main opposition party.

Lower house members of the ruling coalition's two core parties Shinseito (Japan Renewal Party) and Komeito, and some independents will join the new group, called "Reform," the sources said.

Three of the seven coalition parties—the Social Democratic Party (SDP), the largest force in the coalition, the Democratic Socialist Party (DSP) and new party Sakigake (Harbinger)—have, however, criticized the movement.

The three parties, which favor a multiparty system, said they will not participate in the new group as it could ultimately lead to a new single party dominated by Shinseito and Komeito.

On Friday, Hosokawa established the new group comprising 38 JNP members and two legislators of the United Social Democratic Party, a minor partner in the seven-party coalition.

Before establishing Reform, the JNP dissolved an eight-month-long alliance with Sakigake, headed by Chief Cabinet Secretary Masayoshi Takemura.

In its prospectus, the new group defined itself as a new base for establishing a group of politicians who aim to promote administrative reform, tax reform and Japan's international contribution following political reforms, the sources said.

The new group also aims to block a return to power by the LDP, which dominated the political scene for 38 years until it was ousted by the coalition last August.

The LDP still holds the largest portion of seats in the powerful lower house as a single party.

Shinseito secretary general Ichiro Ozawa, also known as the coalition's chief strategist, and Komeito secretary general Yuichi Ichikawa envision a new government comprised of parties with full accords on key policies such as tax reform and foreign policy affairs, the sources said.

They are calling on reform-minded LDP legislators to join their group.

Hosokawa, who was once an advocate of a multiparty system, is tilting heavily in favor of the Ozawa-Ichikawa line. The three key figures are trying to rally over 200 lawmakers of the 511-member lower house to join the parliamentary group, including defectors of the LDP and the SDP, the sources said.

Some 10 JNP members, however, have refused to sign the prospectus and are expected to leave the party, possibly prompting a move to divide the coalition parties into two blocs, the sources said.

Some members of the Democratic Socialist Party (DSP), another coalition party, said Saturday they will also join the new parliamentary group, DSP sources said.

Their decision contradicts DSP Chairman Keido Ouchi's stand that the party will not join the group.

Watanabe on Post-Hosokawa Politics

OW1004143294

[Editorial report] Tokyo FNN Television in Japanese at 2329 GMT on 9 April, in its "News 2001" program, carries a live 20-minute interview with former Foreign Minister Michio Watanabe by FNN announcers Yuji Kuroiwa and Seiko Tomomi, political commentator Kenichi Takemura, and Keio University professor Yoshiaki Kobayashi at the FNN studio in Tokyo.

Asked what he thinks of the opportunity for him to realize the things written in his newly published book "New Conservative Revolution," Watanabe says: "Of course, I do not think that what I wrote in the book will be realized 100 percent." In response to a question on whether he will run for prime minister if asked by the ruling coalition, Watanabe says: "They have not approached me as yet. The LDP has to do its best to regain power. However, the best way for me is to have a comfortable number of members of the Liberal Democratic Party support me." He then explains the need and importance of finding coalition members who share the same beliefs, rather than trying to find as many partners as possible for the sake of getting sufficient numbers.

On allying with the Social Democratic Party of Japan (SDPJ), Watanabe points out several policy differences

between the LDP and the SDPJ and says: "There are fundamental differences between the LDP and the SDPJ. Although the SDPJ has been changing recently, it is still unable to change completely. The SDPJ is unable to respond to the changing times. Therefore, it will be difficult for us to form a partnership with the SDPJ unless it does something like changing the party and starting anew." However, he says he can form a coalition with some of the SDPJ members who are called Democrats.

On the political style of Ichiro Ozawa, secretary general of Shinseito, Watanabe says although he does not like it, he agrees with Ozawa's fundamental political ideas.

Watanabe rules out the possibility of forming a coalition with Komeito under the current situation. He points out that Komeito's fundamental policies are quite different from those of the LDP. He said: "They said, when they formed the coalition government, that the LDP government's fundamental policies would be maintained but the situation was different when it came to talking about concrete measures."

Asked what he thinks of Foreign Minister Hata becoming the next prime minister, Watanabe explains the importance of policies, saying: "The problem is what kind of policies he will have, or whether or not his policies will be similar to ours."

Kobayashi goes back to the question of whether or not Watanabe wants to become the next prime minister, urging Watanabe to tell the people that he wants serve as prime minister. In response, Watanabe says: "I do want to become a prime minister, by all means, if I am allowed to do even 70 or 65 percent of what I wrote in my book."

Debate on Successor to Hosokawa Continues

Official: Hosokawa Supports Hata

OW0904134794 Tokyo KYODO in English 1341 GMT
9 Apr 94

[Text] Tokyo, April 9 KYODO—Prime Minister Morihiro Hosokawa wants Foreign Minister Tsutomu Hata to be his successor, a senior coalition official said Saturday.

LDP Defers Decision on Candidate

OW0904111194 Tokyo KYODO in English 1025 GMT
9 Apr 94

[Text] Tokyo, April 9 KYODO—The main opposition Liberal Democratic Party [LDP] will defer a decision for some time on whether to field its own candidate for prime minister in a parliamentary election, LDP officials said Saturday [9 April].

The LDP, which ruled for an uninterrupted 38 years until last August, reached the accord at a meeting of top party officials. Yohei Kono, president, and Yoshiro Mori, secretary general, attended the session.

Instead of naming its candidate immediately, however, the LDP will continue to monitor moves by the ruling coalition, the officials said.

The seven parties in the ruling coalition are now scrambling to pick a successor to Prime Minister Morihiro Hosokawa, who, dogged by persistent allegations over his personal finances, abruptly announced his resignation Friday.

The senior LDP executives also decided to respond to a coalition proposal to open debate on the fiscal 1994 state budget at the House of Representatives at an early date, the officials said.

Meanwhile, the LDP's Diet Affairs Committee chairman said the party will continue efforts to shed light on suspicions over Hosokawa's finances.

The inquiry resolves around allegations that Hosokawa failed to repay a 100 million yen loan from Sagawa Kyubin, a scandal-tainted trucking business group, as well as a new suspicion that Hosokawa unwittingly entrusted an old friend with managing his money in a way that might have involved some illegalities.

During the Friday news conference at which he announced his resignation, Hosokawa described the Sagawa money as a loan he had repaid and also raised the topic of the "new suspicions" without disclosing any additional details.

Sadatoshi Ozato, LDP Diet Affairs Committee chairman, told reporters, "We need to clarify and explain (Hosokawa's) scandals, including the new problem which Hosokawa himself raised."

"However, the investigations into these scandals must take a rational form that would not obstruct Diet deliberations on the budget," he said.

In a related development, LDP legislator Koichi Kato, who served as chief cabinet secretary in the cabinet of Prime Minister Kiichi Miyazawa of the LDP, proposed throwing the LDP's weight behind a candidate to be recommended from among the ranks of other parties.

"The Liberal Democratic Party should first decide not to field its candidate for premiership and then consider what moves it could take," Kato said during a nationally-televised news program on the Tokyo Broadcasting System.

Watanabe Reluctant To Leave LDP

OW1004032494 Tokyo KYODO in English 0311 GMT
10 Apr 94

[Text] Tokyo, April 10 KYODO—Former Foreign Minister Michio Watanabe expressed reluctance Sunday [10 April] to leave the largest opposition Liberal Democratic Party (LDP) without "comfortable" support from LDP members to run for prime minister as a candidate of the ruling coalition.

Appearing on a TV Asahi program with Shinseito [Japan Renewal Party] leader Tsutomu Hata, the leading contender to succeed Prime Minister Morihiro Hosokawa, and two other coalition leaders, Watanabe said the ruling coalition has not sounded him out about running for premier.

But during the program, Watanabe signaled his willingness to run for prime minister if there is a "comfortable" number of LDP members to leave the party to rally with all or portions of the ruling coalition.

He made the remarks just before representatives of coalition partners resumed talks Sunday morning to see if they can settle on a candidate for Hosokawa's successor.

The ruling coalition has agreed to help inaugurate a new cabinet by the end of this week.

Watanabe said he has spelled out his policy objectives in his newly published book "New Conservative Revolution," adding that Japan-U.S. trade disputes are "an urgent problem" along with Japan's crisis management.

Keigo Ouchi, leader of the Democratic Socialist Party (DSP), revealed during the same TV Asahi program that he recently had a one-on-one session with Watanabe.

Ouchi said his party would back Watanabe's candidacy for premier if Watanabe promises not to be too close to Shinseito and Komeito [Clean Government Party] at the expense of other coalition partners, including Ouchi's DSP.

Tomiichi Murayama, chairman of the Social Democratic Party (SDP), voiced skepticism about forming a coalition government with the conservative LDP.

"There is no such possibility," he told the TV Asahi program.

Hosokawa announced Friday he is resigning to take responsibility for questionable financial deals and for the impasse over Diet debate on the budget for fiscal 1994 that began April 1.

Komeito is in favor of Hata as a candidate to replace Hosokawa but the SDP is against his candidacy fearing that a new cabinet will be dominated by Shinseito and Soka Gakkai-backed Komeito.

Komeito Secretary General Yuichi Ichikawa, appearing on an NHK program, criticized Watanabe for "talking too much (about Komeito) based on misunderstanding."

Watanabe has been critical of the longstanding relationship between Komeito and Soka Gakkai, a lay organization of the Nichiren Shoshu sect of Buddhism.

The Japanese constitution bans religious groups from exercising "any political authority."

LDP president Yohei Kono called for the establishment of a new coalition government by gathering conservatives and liberals together with the LDP as the axis.

Kono told the NHK program that "it is natural to discuss rearranging (members of) the coalition government."

"The LDP should talk with other parties about policies one by one and stabilize politics," Kono said.

As fundamental policies to which a new coalition government should agree, Kono raised such issues as the Japan-U.S. relationship, tax reform and welfare policy.

Kono did not deny a possibility of tying up with the SDP but spurned a speculation that Watanabe quit the LDP to join other forces, saying, "I don't think it at all."

New party Sakigage leader Takemura Masayoshi, also the chief cabinet secretary, showed reluctance to maintain the framework of the present coalition government unless a situation will change where Shinseito founder Ichiro Ozawa is said to have been actually controlled.

"We must graduate earlier from a situation where a man, not a prime minister, leads Japan," Takemura told the NHK program, alluding to Ozawa's behind-the-scenes clout.

Takemura also hinted that Sakigage may tie up with reformists within the LDP.

Murayama also told a Fuji TV program that he can support Hata but only on condition that the Shinseito amend its "high-handed" political techniques.

But Murayama denied a possibility that the SDP will remain in a coalition government if Watanabe joins after quitting the LDP with a certain number of members.

"It is meaningless for the SDP to stay in a cabinet to be mainly formed by Shinseito and the Watanabe faction which will possess the same nature as the LDP," Murayama said.

Shinseito was set up by a group of Diet men who bolted from the LDP just before the July 1993 general elections.

Hosokawa's Japan new party formed the coalition government last August with Shinseito, the SDP, Komeito, the DSP, Sakigage and the United Social Democratic Party.

The LDP lost its 38-year-rule on power but has maintained the largest force in the Diet with Kono as its president.

Coalition Representatives Meet

OW1004054994 Tokyo NHK General Television Network in Japanese 0300 GMT 10 Apr 94

[Announcer-read report by Sadaya Yokota from the Diet building; from the "NHK News" program]

[Text] At 1100 on 10 April, representatives from the ruling coalition parties held a meeting to discuss the choosing of a successor to Prime Minister Morihiro Hosokawa in an effort to form a new cabinet this week.

At the meeting, they argued over remarks made on 9 April by Masayoshi Takemura, Sakigage [Harbinger Party] representative and chief cabinet secretary, and by Democratic Socialist Party [DSP] Chairman Keigo Ouchi that the debate on selecting a successor to Prime Minister Hosokawa should be shifted from the current representative meeting to summit meetings of the coalition parties. Wataru Kubo, secretary general of the Social Democratic Party of Japan [SDPJ] and chairman of the representative meeting, stated: Now that a few coalition leaders have stated so, there is no point in continuing discussions at the representative meeting. Leaders of the coalition parties need to put their views in order regarding what has to be done at the representative meeting of the ruling coalition.

In this way, it has been decided that the leaders of the coalition parties will coordinate their views on an appropriate venue for discussing a possible successor to Prime Minister Hosokawa. Following their coordination, the meeting of coalition party representatives will be held again at 1500 [0600 GMT].

Chief Cabinet Secretary Takemura's proposal for holding a ruling party summit meeting is believed to be based on concern that if the issue of choosing a successor to Prime Minister Hosokawa is discussed at the coalition representative meeting, at which Shinseito Secretary General Ichiro Ozawa and Komeito Secretary General Yuichi Ichikawa attend, both Shinseito and Komeito may take the initiative in choosing the successor. Because discussion over a possible successor to Prime Minister Hosokawa is entangled with a struggle for leadership among the coalition parties, it will still take time to coordinate views on the issue.

Political Leaders on Candidates

OW1104072794 Tokyo NHK General Television Network in Japanese 0000 GMT 10 April 94

[Editorial Report] Tokyo NHK General Television Network in Japanese on 10 April broadcasts at 0000 GMT the "Sunday Discussion" (Nichiyo Toron) political talk show. This episode is 130 minutes long, is moderated by NHK commentator Takashi Yamamori, and carries separate live interviews with Tomiichi Murayama, Social Democratic Party of Japan (SDPJ) chairman; Liberal Democratic Party (LDP) President Yohei Kono; Komeito (Clean Government Party) Secretary General Yuichi Ichikawa, and Sakigage (Harbinger) representative Masayoshi Takemura, who is also chief cabinet secretary. Commentator Naoki Tanaka joins the program as an interviewer.

At 0004 GMT, after introducing the program, Yamamoto starts interviewing SDPJ Chairman Murayama. When asked if the successor of outgoing

Prime Minister Morihiro Hosokawa should be chosen from the SDPJ, the largest party in the coalition, Murayama says. "Before choosing a new prime minister, it is important to seek an agreement within the coalition through discussions on the framework or character or policies of the new cabinet." He adds that it is premature to discuss the possibility of his being chosen as the new prime minister. When asked what the SDPJ thinks of Shinseito (Japan Renewal Party) head Tsutomu Hata, who is foreign minister and is said to be a hopeful candidate, Murayama states, "Rather than saying that the SDPJ feels antipathy against Mr. Hata himself, our party, frankly speaking, feels antipathy against Shinseito's political methods."

Murayama stresses that the current framework of the coalition parties should remain unchanged and thus hold in check the Shinseito-Komeito move toward creating a new framework, wherein the two parties said that the ruling parties should share common policies. He says his party will not join the Japan New Party (JNP)-proposed parliamentary group called Reform (Kaikaku) which Shinseito and Komeito are likely to join. Murayama then reiterates that it is necessary to effect policy coordination within the ruling parties.

Asked by Tanaka how the SDPJ is dealing with North Korea's suspected development of nuclear weapons, Murayama replies: "Because the United Nations has not yet come to a final conclusion, it is necessary to carry out thorough discussions before making any decision. Meanwhile, the DPRK should accept nuclear inspections by the International Atomic Energy Agency. I think it is matter of course that we should not drive North Korea into a corner by threatening to impose sanctions, and therefore we should avoid making North Korea become isolated. However, if it should become unavoidable for the United Nations to adopt resolutions on taking sanctions, we will have to take actions in concert with the United Nations. But Japan has its own limitations, and it is possible for Japan to take action in accordance with UN resolutions but within its own limitations." Returning to the issue of the new cabinet, he rules out joining the new government that will be created mainly by LDP Vice President Watanabe, Shinseito, and Komeito. The interview ends at 0020 GMT.

LDP President Kono then takes a seat. Asked how the LDP will act to deal with the current political turmoil, Kono says: "What our party has to consider first is how to deal with domestic economic affairs and the relations between Japan and the United States. The current Japanese-U.S. relations are at a very critical stage. The LDP will continue to do its utmost to correct such a situation." On the domestic front, Kono criticizes Hosokawa for failing to take initiatives in dealing with economic issues.

When asked to comment on LDP Vice President Watanabe's possibly leaving the LDP, Kono rules out such a possibility. Kono then discusses the LDP's views on a

move toward a political realignment and on the achievements of the Hosokawa government. He terms Hosokawa's having enacted political reform-related bills as deserving praise. Asked if the LDP hopes to return to power by allying with other parties, Kono notes "under the current situation, in which the new cabinet may be formed without elections, it is possible to ally with other parties which share common policies, and we have to seek such a possibility."

At 0042 GMT, an interview with Komeito Secretary General Ichikawa starts. When Yamamoto asks how he views the criticism that the Hosokawa government has been led by Ichikawa and Shinseito Secretary General Ozawa, Ichikawa answers that the cabinet is run based on an agreement between the ruling parties. He says the ties that have bound the coalition partners together were broken after the political reform bill was enacted, and he notes there is serious gap in policies between the ruling parties. On the question of the possible framework of a new cabinet, he states: "We are very eager to hold frank discussions with the SDPJ. Although it is important to discuss who will be the next prime minister, we have a duty to the people to create a cabinet that can cope with issues which Japan will face soon or later." He adds, "In fact, our party is tired of coordinating policies with the SDPJ."

Asked when the ruling parties will decide on a new cabinet, Ichikawa answers, "Yesterday we agreed to decide on the new prime minister at a plenary session of the Diet on Thursday [14 April] or Friday at the latest." In this connection, Yamamoto asks if there is a possibility of parties allying with LDP Vice President Watanabe. Ichikawa answers, "I am of the opinion that Mr. Hata is the most qualified person in view of maintaining the current framework of the coalition government. But the SDPJ and Sakigake say they oppose this opinion on the grounds that the government will be led by Shinseito and Komeito if Hata is chosen. However, when I ask them to further discuss the details of the ruling parties' basic agreements to deal with such upcoming issues as the DPRK and tax reform issues, they say that this is not necessary and that Komeito is trying to expel them from the coalition government. I think that if they continue to reject these proposals, we will then have to choose another alternative." The interview concludes at 0100 GMT.

Masayoshi Takemura, chief cabinet secretary and head of Sakigake, is then interviewed on issues such as the future political realignment. Asked about the reason for the deterioration of relations between his party and the JNP, Takemura says that Hosokawa's favoritism toward Shinseito and Komeito is the major cause. Asked if Sakigake will join the JNP-proposed Reform parliamentary group, Takemura answers, "No." On the issue of a political realignment, Takemura says that it is now an outdated concept to divide political parties into LDP and non-LDP parties.

Yamamoto then asks how the framework of the new government should be constructed and asks whether it is impossible for Sakigake to get along with political parties or groups led by Shinseito's Ozawa. Takemura replies: "I do not know. In addition to our party, within the coalition government there are parties which are increasingly opposed to Shinseito's manner."

Asked whether his party will support Hata as prime minister, Takemura says it depends on whether or not the current coalition partners can make a fresh start. He stresses that now is the time to break the "dual-power" structure. Asked about his party's role in forming a new government and the framework of it, Takemura says, "We will present our proposal at an early date." The interview ends at 0118 GMT.

'Deep Division' in Coalition

OW1004122794 Tokyo KYODO in English 1159 GMT
10 Apr 94

[Text] Tokyo, April 10 KYODO—A growing rift among the governing coalition parties on Sunday left in the dark efforts to find a successor to outgoing Prime Minister Morihiro Hosokawa and the future shape of the coalition.

After the 56-year-old Hosokawa abruptly offered to leave the helm of government on Friday, top executives of the seven-party coalition began moving to choose a candidate for the next premier at their caucus.

However, two ruling party heads raised doubts about the procedure of picking a successor to Hosokawa and demanded that top leaders of the coalition parties decide on a new premier.

Because of the demand, the coalition representatives' forum before noon Sunday suspended efforts to find a suitable figure to replace Hosokawa and left the rest up to their party bosses.

Social Democratic Party (SDP) chairman Tomiichi Murayama subsequently proposed holding a meeting of the heads of the coalition forces at noon Monday to break the selection stalemate.

But the offer met with a flat refusal from two major forces within the coalition, accentuating deep division among coalition partners.

"There is a consensus that the caucus of the ruling parties is to discuss issues of mutual concern," Shinseito (Japan Renewal Party) secretary general Ichiro Ozawa told reporters, explaining his party's rejection of SDP chief's offer.

"If this is disregarded, it will be perceived as dictatorial," the main strategist of the coalition added.

Ozawa also asserted that should heads of the SDP, the Democratic Socialist Party (DSP) and new party Sakigake (Harbinger) hold talks themselves on the choice of a candidate to succeed Hosokawa, it would constitute a private talk.

Koji Morimoto, chairman of Komeito's Diet Affairs Committee, also told a news conference Sunday night that his party will not accept Murayama's proposal to hold a meeting of the coalition party heads on Monday at noon.

Although the chairman of the SDP, the largest coalition contingent, had asked Hosokawa by telephone to call such a meeting under his authority, the departing head of government replied he is not in a position to do so because he has already offered to resign, Murayama said.

Behind the growing division within the coalition, an alliance of parties spanning a wide political spectrum, is the question of which party or parties will take control of the next government, political analysts said.

While Foreign Minister Tsutomu Hata is widely considered the most likely candidate for the next premier, the SDP and Sakigake have been especially cautious about the choice, fearing it would allow Hata's Shinseito and its closest partner Komeito to take initiative within the coalition.

The SDP, for its part, has said that its chairman, Murayama, is also qualified for the premiership, though not clearly stating the party will field him as a candidate to succeed Hosokawa.

Meanwhile, a move to reorganize the current framework of the coalition has been growing.

Although the Shinseito-Komeito bloc wants to see Hata, who doubles as deputy prime minister, to be picked as Hosokawa's successor, it is also considering fielding former Foreign Minister Michio Watanabe of the primary opposition Liberal Democratic Party (LDP) as a candidate for the premiership.

If Watanabe defects from the now-deposed party and agrees to run for the highest government office with the backing of Shinseito, Komeito and other coalition forces, the SDP, whose basic policies are still way apart from those of its coalition partners, is expected to get the boot.

On Sunday, Watanabe signaled his readiness to bolt from the LDP and join hands with all or portions of the coalition if there is a comfortable number of LDP members to leave the party with him.

During Hosokawa's eight months in office, the SDP has often put the coalition on the spot due to its policy differences with other coalition members over such issues as political reform, the partial opening of Japan's rice market and tax system reform.

The party, along with Sakigake, also hampered Hosokawa's bid to revamp his cabinet in protest against his apparent intention to sack Chief Cabinet Secretary Masayoshi Takemura.

Sakigake is scheduled to hammer out an outline to form a new government on Monday and likely to begin seeking a tie-up with pro-reformers within the LDP. Sakigake is a splinter party of the LDP, which was toppled from power last August after 38 years of uninterrupted rule.

LDP president Yohei Kono also called on Sunday for the establishment of a new coalition government by uniting conservatives and liberals with his party as the core.

Kono did not deny the possibility of the LDP tying up with the SDP but brushed aside speculation that Watanabe will quit his party to join other forces.

Ruling Parties Seek Meeting

OW1104063094 Tokyo KYODO in English 0551 GMT
11 Apr 94

[Text] Tokyo, April 11 KYODO—Leaders of four parties in the ruling coalition agreed Monday [11 April] to urge other partners in the administration to meet in an effort to break the stalemate over selection of a successor to departing Prime Minister Morihiro Hosokawa.

"We reaffirmed that we shouldn't prolong this period of political vacuum," Social Democratic Party [of Japan] (SDP) [SDPJ] Chairman Tomiichi Murayama told a news conference.

"We thus agreed to strive to hold a meeting of parties' leaders at 10 A.M. tomorrow," said the chief of the largest coalition contingent.

Other leaders who joined Monday's session include Chief Cabinet Secretary Masayoshi Takemura, who heads new party Sakigake (Harbinger) and Health and Welfare Minister Keigo Ouchi of the Democratic Socialist Party (DSP).

Eiichi Nakamura of the Democratic Reform Party, a small parliamentary group in the House of Councillors, also attended.

The gathering of the four coalition figures came shortly after top officials of the ruling parties agreed to continue mulling the choice of a replacement for Hosokawa at their caucus for the time being, not at a meeting of ruling parties' heads.

Murayama said he will call on Foreign Minister Tsumoto Hata of Shinseito (Japan Renewal Party), Management and Coordination Agency Chief Koshiro Ishida of Komeito and Hosokawa of the Japan New Party (JNP), to attend the planned session on Tuesday.

"I will tell them to compare notes at a meeting of parties' heads to minimize the political vacuum and work together to fulfill our duties to the public," he added.

Shinseito, Komeito and the JNP had flatly refused to hold a summit of coalition parties' leaders on Monday.

The SDPJ chief denied the four leaders discussed during Monday's meeting a possible change in the current framework of the coalition government, which was formed last August.

There is a growing rift among the ruling parties on the selection of a candidate for premier and the shape of the new government.

Hosokawa, 56, announced his resignation Friday to take responsibility for a gridlock in the Diet budget debate spawned by allegations of financial impropriety.

Hosokawa will remain in office as caretaker until his replacement is chosen.

Hata is tipped as the most likely candidate for the premiership. But some coalition members say Murayama and Takemura are also on a list of candidates.

Also, the Shinseito-Komeito bloc is considering fielding former Foreign Minister Michio Watanabe of the primary opposition Liberal Democratic Party as a candidate to succeed Hosokawa in a move to split the once-dominant party.

Coalition Splits Into Two Groups

OW1004234094 Tokyo KYODO in English 2316 GMT
10 Apr 94

[Text] Tokyo, April 11 KYODO—The seven-party ruling coalition is splitting into two groups as differences have grown over how to pick a successor to Prime Minister Morihiro Hosokawa who announced his resignation Friday, political sources said Monday.

The Social Democratic Party (SDP) the Democratic Socialist Party (DSP) and the new party Sakigake [Harbinger] are strengthening unity against the coalition's majority group comprising Shinseito [Japan Renewal Party], Komeito and the Japan New Party (JNP).

Meanwhile, the main opposition group, the Liberal Democratic Party (LDP), continues to watch and wait, putting priority on keeping its own unity and preventing defections as the two coalition groups woo its members, they said.

SDP Chairman Tomiichi Murayama, the head of the coalition's largest party, Sunday proposed holding a meeting of the heads of all the coalition parties at noon Monday to discuss who should succeed Hosokawa as prime minister.

Murayama's proposal aims at leveling up to the top leaders of coalition parties from the present level of secretaries general to discuss the choice of a successor to Hosokawa.

DSP Chairman Keigo Ouchi and Sakigake leader Masayoshi Takemura supported the idea but Shinseito and Komeito rejected the proposal.

Hosokawa, the JNP head, also responded coolly to Murayama's proposal.

On Sunday, the secretaries general of the coalition parties began discussions on how to choose the next premier but the meeting broke up after only 20 minutes because of differences between the two groups.

Shinseito Secretary General Ichiro Ozawa, regarded as the coalition's chief strategist during the eight months of Hosokawa's government, said, "there was a consensus that the caucus of the ruling parties (at the level of secretaries general) is to discuss" the choice of a successor.

Ozawa told reporters that if the heads of the SDPJ, the DSP and Sakigake attend the proposed leaders' meeting it would constitute "a private talk."

Koji Morimoto, chairman of Komeito's Diet Affairs Committee, also told a news conference Sunday that his party will not accept Murayama's proposal for a meeting of the coalition party heads.

Shinseito and Komeito are considering throwing their support behind the LDP's Michio Watanabe, a former foreign minister, as a candidate for the premiership if he defects from the LDP, the sources said. On Sunday, Watanabe signaled his readiness to bolt from the LDP and join hands with all or portions of the coalition if a comfortable number of LDP members to leave the party with him.

Sakigake is scheduled to announce an outline on forming the next government Monday and is likely to begin seeking a tie-up with reformers within the LDP, the sources said.

Coalition Agrees on Postponement

OW11041033394 Tokyo KYODO in English 0317 GMT
11 Apr 94

[Text] Tokyo, April 11 KYODO—The ruling coalition put off Monday's [11 April] proposed meeting of its party heads to discuss the choice of a successor to Prime Minister Morihiro Hosokawa, who announced his resignation Friday, coalition officials said.

The coalition will continue talks on the matter at the level of secretaries general, they said.

Representatives of the coalition partners, who met for 40 minutes Monday morning, also agreed to convene a meeting of party leaders "as the need arises," the officials said.

The accord represented a last-minute compromise to avert a decisive split of the eight-month-old, seven-party alliance.

SDPJ [Social Democratic Party of Japan] Chairman Tomiichi Murayama, the head of the coalition's largest party, Sunday proposed holding a meeting of the heads of all the coalition parties at noon Monday to discuss who should succeed Hosokawa as prime minister.

Murayama's proposal aims at raising the level for discussing the succession to the premiership to that of the top leaders of the coalition parties from the present level of secretaries general.

DSP Chairman Keigo Ouchi and Sakigake [Harbinger] leader Masayoshi Takemura supported the idea but Shinseito [Japan Renewal Party] and Komeito rejected the proposal.

Hosokawa, the JNP head, also responded coolly to Murayama's proposal. He told reporters that he will not attend the leaders' meeting.

Komeito Chairman Koshiro Ishida told reporters Monday that a meeting of party heads should be convened at the final stage.

Meantime, the heads of the SDPJ, DSP, Sakigake and the Democratic Reform Party had talks at noon Monday and agreed to propose a meeting of leaders of all the coalition parties at 10 A.M. Tuesday, well-placed sources said.

LDP Group Supports Watanabe

OW1104103794 Tokyo KYODO in English 1007 GMT
11 Apr 94

[Text] Tokyo, April 11 KYODO—A policy study group of the opposition Liberal Democratic Party (LDP) urged its leadership on Monday [11 April] to initiate a bid to sweep former Foreign Minister Michio Watanabe to power to succeed outgoing Prime Minister Morihiro Hosokawa.

The suprafaction group, "Liberals," chaired by former parliamentary Vice Foreign Minister Koji Kakizawa, issued the appeal after adopting it at a meeting of 20 of the group's 36 legislators at LDP headquarters.

Kakizawa was vice foreign minister when Watanabe held the portfolio of the foreign minister under the administration of former Prime Minister Kiichi Miyazawa. Watanabe was not present at the meeting.

The group's appeal urged the LDP leadership to put an end to the current "futile" political structure, where LDP forces and anti-LDP forces clash with each other in a bid for power, members said.

The LDP lost its 38-year grip on power last August after a series of defections led to the establishment of a seven-party coalition government.

The group called on the leadership to strive to create a new coalition government that would not be paralyzed by intracoalition conflicts over crucial policy issues such as diplomacy or defense.

The group urged the formation of a new administration led by Watanabe that would keep the "same distance from all political forces" that now comprise the governing coalition.

Shohei Arai, a member of the group, told a news conference that followed the meeting, "Our vision is not to have Mr. Watanabe take advantage of Shinseito and Komeito."

The two parties—key forces within the ruling coalition—are widely deemed as willing to name Watanabe as the next leader of a new coalition government due to his political influence and his parliamentary strength as head of the LDP's third-largest faction, which has 46 members.

Seiichi Ota, another member, did not rule out the possibility that the group's appeal for support for Watanabe might lead to the establishment of a new political party led by Watanabe.

"There could be a range of variations" on possible political forces, he said.

Watanabe Plans Group To Help Form Coalition

OW1104150994 Tokyo KYODO in English 1449 GMT
11 Apr 94

[Text] Tokyo, April 11 KYODO—Former Foreign Minister Michio Watanabe plans to form a new parliamentary group in the House of Representatives in a bid to form a coalition government with Shinseito [Japan Renewal Party], Komeito [Clean Government Party] and the Japan New Party [JNP], a senior official of the Watanabe faction said Monday [11 April].

However, Watanabe and his faction's members will not renounce their membership of the LDP [Liberal Democratic Party], the No. 1 opposition party, even after the lower chamber secretariat approves the new group, they said.

In parallel with this move, executives kicked off a campaign to solicit the signatures of LDP legislators ready to support Watanabe's bid for the premiership following the imminent official resignation of Prime Minister Morihiro Hosokawa.

As the combined parliamentary strength of his 46-member faction, Shinseito, Komeito and the JNP stands at 161, Watanabe will need to win support from more than 95 LDP legislators who belong to other LDP factions.

The LDP was stripped of its 38-year lock on power after dozens of Shinseito and Sakigake [Harbinger] legislators bolted the party last June.

Watanabe's bid for premiership is also contingent on whether Shinseito will agree to link up with him in view of its earlier demand that the Watanabe faction leave the LDP to form a new party with it, political analysts said.

Watanabe hinted at his readiness to leave at a meeting of his faction earlier in the day, saying, "I want to take fresh action together with people who have the same (political) opinions and share my ideals."

However, he decided to form a new group without renouncing his LDP membership, as it would alienate potential supporters within the LDP if he demanded they quit the party, the faction executives said.

Since last February, Watanabe has repeatedly held clandestine meetings with Shinseito Secretary General Ichiro Ozawa, who is the chief coalition strategist.

Shinseito and Komeito—key forces within the ruling coalition—are widely deemed as willing to name Watanabe the next leader of a new coalition government due to his political influence and his position as head of the LDP's third-largest faction.

Sakigake Party Proposes Reorganizing Politics

OW1104114994 Tokyo KYODO in English 1120 GMT
11 Apr 94

[Text] Tokyo, April 11 KYODO—New party Sakigake, one of the seven coalition parties, unveiled a policy platform Monday with a proposal to reorganize the political landscape from scratch with political, administrative and economic reforms as top priorities.

The policy platform said a new government to succeed that of outgoing Prime Minister Morihiro Hosokawa should be drawn up "on a blank sheet of paper."

The new government should be free from the framework of the current coalition that excludes the Liberal Democratic Party (LDP), currently the primary opposition party.

Party leader and Chief Cabinet Secretary Masayoshi Takemura, however, told a news conference that Sakigake, which has 15 members in the House of Representatives, will not join a government "under the leadership of the present LDP."

Sakigake's deputy chief, Shusei Tanaka, said, "This is not an appeal to the LDP for participation in a government."

Sakigake (Harbinger) outlined its goals for the next government as coalition members struggled to come up with a new premier following Hosokawa's abrupt resignation announcement Friday.

It also stipulated that the new government should observe the war-renouncing constitution and firmly resolve not to turn Japan into a major political or military power.

Sakigake's basic stance is in stark contrast to the vision of Ichiro Ozawa, the coalition's chief strategist and cofounder of the alliance's core party Shinseito (Japan Renewal Party).

Ozawa wants Japan's Self-Defense Forces to play a more active role in UN peacekeeping activities.

Given that the Hosokawa administration faltered over a financial scandal, Sakigake's platform said the next government has a special obligation to live up to reform pledges.

It also urged a more democratic and more transparent policy-making process.

Last August the LDP was ousted after 38 years in power when Sakigake and Shinseito, whose members are former LDP parliamentarians, joined five other parties to form the coalition. The LDP failed to win a majority in July's general election.

The seven ruling coalition parties remain divided over how to pick a successor to Hosokawa.

Hosokawa declared his intention to resign last Friday to assume responsibility for involvement in scandals pertaining to his finances, and to break a deadlock in the Diet that had brought debate over the fiscal 1994 budget to a standstill.

A rift is growing among the fractious coalition components, splitting the parties into two blocs. One comprises Shinseito, Komeito and Hosokawa's Japan New Party (JNP). The other consists of the largest component of the coalition, the Social Democratic Party (SDP), along with the Democratic Socialist Party (DSP) and Sakigake.

Shinseito and Komeito will soon join a new parliamentary group in the lower house established last Friday by the JNP. The SDP, the DSP and Sakigake have said they will not participate in the group because they fear it will be dominated by Shinseito and Komeito, official sources said.

Shinseito and Komeito envisage forming a new party, while the SDP, the DSP and Sakigake favor a multiparty system, but with fewer parties than at present, they said.

Tanaka's Former Secretary at Center of Scandal

OW0904064294 Tokyo KYODO in English 0619 GMT
9 Apr 94

[Text] Tokyo, April 9 KYODO—A private secretary of the late former Prime Minister Kakuei Tanaka and a former publisher of an economic information magazine mishandled investment of a 60 million yen fund of Prime Minister Morihiro Hosokawa, sources close to Hosokawa said Saturday [9 April].

Hosokawa on Friday abruptly announced he would step down, saying "new suspicions" that investment of some of his personal funds may have been unlawful.

The sources said Masatoshi Miyama, Hosokawa's former financial secretary, entrusted the publisher with the investment of 60 million yen with intermediation of Tanaka's former secretary.

The secretary denied his involvement in the financial transactions in an interview with KYODO NEWS SERVICE. The publisher could not be reached for comment.

According to the sources, around 1981 Miyama asked Tanaka's former secretary, an acquaintance of Miyama, for advice on investing funds and Tanaka's secretary introduced the publisher to Miyama.

At that time, Hosokawa was a House of Councillors member in Tanaka's faction in the Liberal Democratic Party. The next year, with Tanaka's backing, Hosokawa successfully ran in the Kumamoto gubernatorial race.

The publisher was an investment consultant and was engaged in an illegal money-lending business, the sources said.

At first, the publisher was entrusted with more than 1 million yen and was later entrusted with the 60 million yen, part of the money Hosokawa raised through sale of land inherited in 1982, they said.

In 1991, when Miyama quit Hosokawa's office, he reportedly told the office that the investment of the 60 million yen was not a success and that only 10 million yen worth of shares were left.

Hosokawa received some 202 million yen in 1982 as his portion of the sale of an estate in Suginami ward in Tokyo after he and two of his relatives inherited the estate following the death of their grandmother Chiyoko Konoe in September 1980.

After paying inheritance taxes and lending 64 million yen of the money to one of his political fund-raising organizations, Hosokawa entrusted the remaining 60 million yen to Miyama, the sources said.

The opposition camp has demanded Miyama be summoned before the Diet to testify on Hosokawa's finances. The premier has repeatedly rejected the call.

Hosokawa told a news conference Friday that "from 1981 and for several years, my office let a certain person use the fund, and he gained personal profit from it. That person is an old personal friend of mine."

"He specifically requested that money be entrusted to him, because he would manage it for profit. But there were some problems in the process of the management of that particular fund."

He declined, however, to elaborate further on the specifics of the new suspicions, saying an investigation by his political office was still underway.

Figure Denies Investing Hosokawa's Funds

OW1104162794 Tokyo KYODO in English 1457 GMT
11 Apr 94

[Text] Tokyo, April 11 KYODO—A former publisher of an economic magazine admitted Monday [11 April] he had been involved in investing funds belonging to Prime

Minister Morihiro Hosokawa but denied he had used them on the financial black market.

Yusei Kuwata, 60, said in an interview with Kyodo News Service, "as I heard (Hosokawa) needed 500 million yen to form a faction in the future, I cooperated in investment of his funds."

He denied any illegality in his use of the funds.

Hosokawa on Friday abruptly announced he would step down, citing a fresh questionable financial deal as one of the reasons for his decision to resign.

Kuwata said Hosokawa and he played golf together in Shiga Prefecture on a day in 1981 when the premier was a Liberal Democratic Party member of the House of Councillors. Kuwata was introduced to Kiyoshi Sagawa, founder of the Sagawa Kyubin trucking group, at the center of a money-and-mob scandal, in Hosokawa's residence in Kyoto that night.

On a train returning to Tokyo, Kuwata proposed to Hosokawa cooperating in raising funds and Hosokawa said 500 million yen was necessary to form a faction.

Kuwata received funds through Masatoshi Miyama, Hosokawa's secretary, one month later and promised payment of interest of at least 12 percent a year. He invested the funds in stocks and convertible bonds and made a profit of 20 million yen until 1985, Kuwata said.

In 1991, Kuwata received 30 million yen from Hosokawa and invested the money in stocks but the money became unrecoverable, he said.

Hosokawa told a news conference Friday, "From 1981 and for several years, my office let a certain person use the funds, and he gained personal profit from it. That person is an old personal friend of mine."

"He specifically requested that money be entrusted to him, because he would manage it for profit. But there were some problems in the process of the management of that particular fund," Hosokawa continued.

He declined, however, to elaborate on the specifics of the new suspicions, saying an investigation by his political office was still under way.

Kuwata said he did not invest the funds on the black market.

Kuwata advised Hosokawa to buy shares in Nippon Telegraph and Telephone Corp. (NTT) in August 1987 when Hosokawa was Kumamoto governor. NTT was then planning to go private by selling its shares.

Kuwata introduced Shuzo Fujiki, an investment consultant and president of a Tokyo-based consulting firm, to Miyama.

Three hundred NTT shares were brought in the name of Hosokawa's father-in-law, Shohei Ueda.

Hosokawa said at the news conference, "Concerning NTT shares, I have repeatedly mentioned that my father-in-law personally purchased them, that my former secretary was involved in that, and that the returns for that service, at least part of it, were made to the personal accounts of my father-in-law."

Fujiki, however, has said the NTT share transaction was Hosokawa's.

FY '93 Lending by Major Banks Posts First Fall

OW1104101194 Tokyo KYODO in English 0930 GMT
11 Apr 94

[Text] Tokyo, April 11 KYODO—Lending by Japan's 11 major commercial banks in fiscal 1993 posted the first fall since the banks started taking statistics in 1954, a banking group said Monday [11 April].

Both consumer and corporate loans remained sluggish throughout the year that ended March 31, said an official of the Federation of Bankers Associations of Japan.

The outstanding balance of lending by the 11 banks, known as city banks in Japan, came to 221.97 trillion yen at the end of the year, down 0.6 percent from a year earlier with a scant 0.1 percent growth in the latest reporting month alone, the federation said.

The official brushed aside views that banks have been reluctant to expand lending after incurring huge bad loans from the collapse of the asset-inflated economy of the late 1980s.

"Banks took an active posture with various measures to increase lending, (but) corporate demand for funds stayed sluggish," he said.

Six city banks posted declines in fiscal 1993 lending, led by 2.31 percent at the Bank of Tokyo, 2.30 percent at Fuji Bank and 2.08 percent at Sanwa Bank.

Daiwa Bank marked the highest growth of 5.85 percent among the five banks that increased lending. Mitsubishi Bank followed with 1.00 percent, and the Hokkaido Takushoku Bank with 0.87 percent.

The ranking of lending balance remained unchanged from the previous year, with 32.37 trillion yen at Sakura Bank, 28.18 trillion yen at Dai-Ichi Kangyo Bank, and 27.28 trillion yen at Sumitomo Bank.

The year-end balance of lending by Japan's three long-term credit banks also marked the first fall, falling 0.2 percent from the year-before level and dropping 0.1 percent for March alone to 47.45 trillion yen.

The lending balance at Japan's seven trust banks stood at 25.43 trillion yen, up 4.1 percent from a year earlier and 1.7 percent in March.

As for deposits released together, the federation said the outstanding balance of deposits at the city banks in fiscal

1993 rose for the first time in three years, climbing 2.0 percent from the year before to 196.17 trillion yen.

The officials said deposits tended to be higher toward the end of the year, with a 4.0 percent growth seen in the second half after a 1.9 percent fall in the first half.

Corporate deposits increased for the first time in three years as deposits by government-affiliated companies and temporary deposits of investment funds by insurance firms increased to more than offset declines in other general corporate deposits, the official said.

Individual deposits remained buoyant led by demand deposits, he said.

Real deposits, excluding checks and bills, rose a strong 3.1 percent in March alone.

The balance of debenture issuance—equivalent to deposits at other banks—at the long-term credit banks for fiscal 1993 came to 51.33 trillion yen, down 0.9 percent to mark the second consecutive fall. The March issuance alone dropped 0.4 percent.

The balance of deposits at the trust banks gained 4.9 percent in fiscal 1993 to 10.09 trillion yen, recording the first increase in three years.

Tax Panel Plans To Continue Discussion

OW0804125094 Tokyo KYODO in English 1004 GMT
8 Apr 94

[Text] Tokyo, April 8 KYODO—A government advisory tax panel will continue its discussions as Prime Minister Morihiro Hosokawa requested to compile detailed proposals on tax reform, a forum chief said Friday [8 April].

Kan Kato, chairman of the Tax Commission, made the remarks at a news conference after a panel meeting held amid news that Hosokawa announced his intention to resign.

The news indeed came as a surprise for the advisory body to the prime minister that kicked off discussions with newly appointed panel members after Hosokawa himself requested at the onset to compile detailed proposals on a tax reform.

His request featured a net tax increase to cope with the coming aged society.

"There will be no effect on our discussions," Kato said, noting a tax reform as requested by Hosokawa is a promise both domestically and internationally to materialize by the end of the year.

He added any new cabinet will come up with the same direction as Hosokawa to deal with the coming aged society.

The greatest missions are to limit the net tax increase as much as possible and to promote publicity to win public support, Kato said.

The panel will compile a report in June with "various options" for politicians to decide, he said, suggesting the report will include specific figures on the scale of the tax cut and hikes.

The timing is in line with the ruling coalition parties' agreement to decide on the tax reform before the current Diet session ends June 29 and also with Japan's promises in the March market-opening package to offer details in June before the summit of the Group of Seven major nations in Italy in July.

Addressing the resumed meeting, Hosokawa asked the panel to discuss and present recommendations "in the early stage to detail a desirable tax system for creating a stable, balanced tax system on income, consumption and assets," as proposed by the panel in November in its medium-term report on tax reform.

The November report called for such a balanced tax system to cope with the coming aging of society in the 21st century.

But Hosokawa said an "increase in public tax burden is unavoidable" to attain an affluent society amid the aged population while creating a sound fiscal position without amassing national debt balance even if thorough administrative reform and expenditure streamlining are taken.

In specifying tax reform, Hosokawa reminded panel members that the government and the ruling coalition parties vowed to bring about full-scale tax reform by the end of the year, when they decided in February to conduct 6 trillion yen income tax cuts limited to fiscal 1994.

He also said legislators attached a provision to include a permanent income tax in the year-end reform when they passed the single-year bills in March.

Kumagai Cautions About Increasing Utility Fees

OW0804044194 Tokyo KYODO in English 0407 GMT
8 Apr 94

[Text] Tokyo, April 8 KYODO—Trade Minister Hiroshi Kumagai on Friday [8 April] cautioned against the recent moves by public entities to raise rates on utilities, transportation and other fees.

Recent plans to raise public fees should not be easily justified at a time when many countries are calling on Japan to rectify its heavy price gaps with other countries, International Trade and Industry Minister Kumagai told a regular press conference.

The warning came after the government earlier in the day unveiled basic guidelines for increasing public fees.

The guidelines, prepared in response to a barrage of public criticism of public rate hike plans, address the importance of local governments and concerned entities taking full consideration for the impact such hikes may have on overall prices and people's livelihood.

Kumagai said further deregulation and administrative reform intended to remove structural problems needs to be implemented to push down Japanese prices to international levels.

Rate increases now under consideration include medical expenses, highway tolls, tuition at national universities, taxi charges, gas and electricity rates, municipal buses and subways, rents for publicly owned houses and telephone rates.

In line with the latest guidelines, the government is expected to postpone or scrap part of these plans.

Kumagai indicated his support for the introduction of a product liability law when he referred to a court ruling on a defective TV.

The March 29 ruling by Osaka District Court said the maker, Matsushita Electric Industrial Co., should be held responsible for a defect that caused a fire unless it could prove there were no mechanical problems with the TV.

The ruling was epoch-making because the court accepted that consumers seeking compensation simply need to prove that a product was defective, instead of having to prove negligence by the maker, as at present.

A government panel recently proposed excluding such a provision from any product liability law passed in Japan.

The ruling "showed that the current surrounding product liability is moving in a certain direction," Kumagai said.

Matsushita said Thursday it will not appeal the ruling.

White Paper Urges Extra Child Care Support

*OW0804025794 Tokyo KYODO in English 0214 GMT
8 Apr 94*

[Text] Tokyo, April 8 KYODO—A government white paper called Friday [8 April] for enhanced "social support" for child care, saying it costs parents an estimated 20 million yen to raise a child from birth through university graduation.

The 1993 White Paper on Health and Welfare, approved at a cabinet meeting, particularly called on companies to improve conditions for child care for their employees.

Companies should view support for child care as necessary costs for securing a work force, introduce a child care leave system and create corporate nurseries, it said.

The white paper also urged corporations to promote reemployment of female workers who have left companies to take care of their infants.

The report also calculated the costs of rearing children.

For a couple whose first child is born when the husband is 30 years old and the second two years later, bringing up the two children and putting them through college

costs 39.78 million yen if the wife works part time, and 45.05 million yen if she works full time.

The calculations also assume the couple buys a 40 million yen condominium when the husband is 35 years old.

The higher costs for a couple with the wife working full time are due to extra nursery expenses.

The financial burden of rearing children is especially heavy when they are attending college, accounting for 45 percent of the total disposable income of the family if the wife works full time, and 70 percent if she works part time.

The white paper also sounded the alarm about the declining birthrate, which dropped to a record 1.50 births per woman of childbearing age in 1992, when only 1.2 million babies were born, from 2.14 in 1973.

The dwindling number of children could put a squeeze on the nation's economic growth and increase the social security burden on workers, the report warned.

Wide-ranging measures are needed to halt the trend, encompassing nursery facilities, working conditions, housing, and education, it said.

Pointing to the importance of housing conditions, the paper noted a correlation between the number of children and the size of houses.

Toyama Prefecture, which boasts the largest proportion of housing floor space per person, was also the prefecture with the largest number of children per family, 2.3, it said.

Akita Prefecture, which ranked third in per-capita house area, came ninth in the number of children at 2.0 per family, the report said.

Families in Tokyo, which ranked second from the bottom in terms of house area, have only 1.0 child on average, the smallest rate in Japan.

In line with the white paper, the Health and Welfare Ministry plans to compile a package of measures for supporting childbearing and child care by the end of fiscal 1994, which ends next March 31.

North Korea

Failure of Talks Blamed on U.S.-ROK 'Conspiracy'

*SK0904044994 Pyongyang KCNA in English 0440
GMT 9 Apr 94*

[**"Dirty Conspiracy of Master and Stooge"—KCNA headline**]

[Text] Pyongyang, April 9 (KCNA)—The abortion of the third round of the DPRK-USA talks and the creation of a grave situation on the Korean peninsula are a result of

the filthy conspiracy between the U.S. master trying to stifle the socialism of Korea and the Kim Yong-sam puppet clique who are courting the favor of the master and attempting to slay fellow countrymen with his help, says NODONG SINMUN in a commentary today.

The news analyst notes:

In return for its "commitment" to the "security" of South Korea from "nuclear threat of the North," the United States forced the puppets to open the South Korean rice market, bear heavier burden for the maintenance of the U.S. troops in South Korea and introduce Patriot missiles and other weapons in larger quantities.

Accepting all the demands of the United States, the South Korean puppets sold off the dignity and interests of the nation to the master. They made no bones about committing such flunkeyist treacheries as entreating the master to set the exchange of special envoys between the two halves of Korea as a precondition for the third-round of DPRK-USA talks in an attempt to meddle in the "nuclear problem" without any power and capacity.

The abortion of the third round of the DPRK-USA talks and the creation of a grave situation on the Korean peninsula are entirely attributable to such disgusting conspiracy between the United States and the South Korean puppet clique.

If the nuclear problem on the Korean peninsula is to be solved and the strained situation is to be eased today, an end must be put to the U.S. hostile policy to stifle Korea, and such a flunkeyist traitor as Kim Yong-sam must be removed from the power and their criminal tieup be smashed.

Secretary Perry Castigated on Recent Remarks

SK0904112994 Pyongyang Korean Central
Broadcasting Network in Korean 1222 GMT 7 Apr 94

[Commentary by Kim Ho-sam: "The U.S. Scheme for Provoking a Korean War Is More Conspicuous Than Ever"]

[Text] According to a foreign press report, U.S. Defense Secretary Perry said in an NBC television interview on 3 April that if the situation in the Korean peninsula does not change in six more months, the United States would consider its so-called diplomatic approach has failed and hinted that they would move in the direction of imposing heavy pressure, including economic sanctions. Then he added that he would not preclude the possibility of a preemptive military attack if their diplomatic and non-military pressure proves unsuccessful.

This bellicose outburst by the incumbent U.S. defense secretary is very out of the ordinary, and we must regard it as grave. Perry's provocative outburst coupled with his recent remark that they would not hesitate to wage

another Korean war, shows that the U.S. imperialists are attempting to provoke a new war in Korea any time they choose.

This bellicose violent remark was not made accidentally. Although the United States has raved that it is interested in the third round of DPRK-U.S. talks, this is false, judging by the violent war remarks made recently by the U.S. military leader. Perry's remarks also show that the United States has only been scheming for a policy of crushing [apsal] the DPRK by force.

Let me take a few instances. According to a recent WASHINGTON POST issue, war fanatic Perry, babbling about our so-called nuclear development, said that the United States would stop our so-called nuclear weapons development even if it had to pay the price of starting a war on the Korean peninsula again. Saying that the U.S. strategy is taking step-by-step measures while isolating North Korea, he stated that the United States would take more serious measures.

Perry also disclosed that the parts and maintenance personnel of the U.S. forces' fighter planes are being dispatched to the military bases in South Korea and Japan, that the South Korean puppets are being prepared with some kind of weapon, and that preparations are underway to deploy to South Korea the second lot of launching pads for Patriot missiles. Moreover, he unhesitatingly and undisguisedly made violent remarks of war that the United States will deal an overwhelming air strike against someone else's provocation within 24 hours.

What should be noted seriously is that he openly disclosed that he will have in-depth talks with the South Korean puppets during his forthcoming junket to South Korea on not only simple military countermeasures but also on when, how, and why the military measures should be taken. Perry's remark shows that he himself undisguisedly disclosed that the purpose of his visit is examining the preparations for the Korean war on the spot and giving a new war order. Worse still, this time he once again raved that he would not preclude the possibility of a preemptive military attack. This vividly shows that they attempt to crush our republic through a surprise armed attack. The military moves perpetrated around the Korean peninsula clearly prove this.

After a spokesman of our country's Foreign Ministry on 4 April issued a statement rebuffing the so-called 31 March UN Security Council president's statement urging us to accept an additional inspection by the International Atomic Energy Agency, the imperialists' attempts to crush us militarily are all the more stepped up.

First of all, extremely bustling moves are being perpetrated in Japan. In a U.S. Air Force base in Yokota, the U.S. imperialists' countless warplanes are preparing to make a sally while assuming a posture for offense and defense, simulating attacks on our Republic. Furthermore, the United States and the South Korean puppets

are staging joint aerial war exercises against us in South Korea almost every day. The number of planes that have taken part in the daily exercise have totalled 700 on the average. Warplanes of various types brought in from overseas to South Korea are aimed at increasing their capabilities of making a surprise attack on the North and at enhancing cooperation between various flying corps.

The extremely hazardous situation, which resembles that of the eve of 25 June 1950, is prevailing on the Korean peninsula these days. The then U.S. Secretary of State Dulles had inspected the 38th parallel before the outbreak of war. Likewise, today, U.S. Defense Secretary Perry tries to crawl into [kiodulda] South Korea with the same intent.

All these facts show that the United States is driving the situation on the Korean peninsula into the brink of war while expanding its policies aimed at crushing us in a step-by-step manner. However, the United States should know very well that this kind of policy of power would never get by to us.

For us, we have strong defense capabilities that could stamp out any aggressor in a stroke and the might of single-hearted unity among the party, the leader [suryong], and the people.

The U.S. imperialists should squarely see the power of our single-hearted unity, the invincible faith, and the steel-like will, and not run amok recklessly. Only death will be given to those who play with fire.

U.S.-ROK 'Air War Exercise' on 7 Apr Noted

*SK0904053594 Pyongyang KCNA in English 0417
GMT 9 Apr 94*

[Text] Pyongyang, April 9 (KCNA)—Formations of fighter bombers, assault planes, observation planes, reconnaissance planes and electronic warfare helicopters of the U.S. Air Force stationed in South Korea and the South Korean puppet air force Thursday staged an air war exercise against the North in the sky above Yaju, Tanyang and Oeyon Islet of South Korea with the support of a refuelling tanker to test the capacity of successive strikes at long-range targets, military sources said.

Meanwhile, a tank group of the puppet army deployed in Paju County, Kyonggi Province, fired scores of shells into the opposite side of River Yimjin and the area of Hapo-ri and puppet army soldiers who took position near the demilitarized zone in Yinje County, South Korean Kangwon Province, blindly fired hundreds of large-calibre machine gun bullets.

U.S., ROK Stage 'Bombing Exercise' 8 Apr

*SK1004092094 Pyongyang KCNA in English 0903
GMT 10 Apr 94*

[“Continuous War Games Against North”—KCNA headline]

[Text] Pyongyang, April 10 (KCNA)—The U.S. imperialists and South Korean puppets on April 8 brought overseas-based combat flying corps to South Korea and staged surprise night bombing exercise targeted against the North in the skies above Kongju, Umsong, Yaju and Oeyon islet of South Korea, military sources said.

The exercise which involved hundreds of military planes was aimed at testing the feasibility of command by the E-3 early warning plane and the capacity of surprise night bombing.

On the same day an EA-6 electronic jamming plane and an EH-60 electronic warfare helicopter appeared in the skies above Kanghwa Island, Kimpo, Hwachon, Yongwol and Pyongchang and called formations of bombers for an exercise of surprise attack on strategic targets.

Meanwhile, Okinawa-based P-3 anti-submarine planes were deployed in the U.S. Air Force base in South Korea.

On the same day a tank group of the puppet Army deployed in Paju and Yonchon Counties and Inje County, South Korean Kangwon Province, fired tens of shells into an area near the Demilitarised Zone of the Military Demarcation Line.

Foreign Censure of U.S. for Tension Reported

Various Groups Cited

*SK0804101794 Pyongyang KCNA in English 1004
GMT 8 Apr 94*

[“DPRK-USA Talks, the Only Solution to the Nuclear Issue of the Korean Peninsula”—KCNA headline]

[Text] Pyongyang, April 8 (KCNA)—International organisations and public organisations of different countries denounced the United States for leading the situation of the Korean peninsula to the brink of war.

The Islamic world and Arab regional leadership of the International Front Against Zionism in a statement warned that if the United States resorted to war moves against independent and peace-loving Korea, it would get only defeat and shame.

The Luxemburg-Korea Friendship Association in a statement demanded that the United States abandon the policy of strength and sincerely approach dialogue with the DPRK for a peaceful and fair solution to the nuclear issue of the Korean peninsula.

The Tanzanian Youth League in a statement said that DPRK-USA talks are the only solution to the nuclear issue of the Korean peninsula.

The Mali Committee for Supporting the Independent and Peaceful Reunification of Korea in a statement said that if the United States really had an intention to resolve the nuclear issue, it must be faithful to its responsibility and obligation, though belatedly, and the

Secretariat of the International Atomic Energy Agency must renounce the "double standard" policy at once.

The Britain-Korea Friendship Committee in an appeal called upon the British political parties and organisations which treasure peace and justice to lift up voices denouncing the unjust stand of the government to join the U.S. in the moves to isolate and stifle the DPRK and demanding the normalisation of relations with the DPRK.

U.S., Cuban, Peruvian Groups

SK0804152194 Pyongyang KCNA in English 1508
GMT 8 Apr 94

[“U.S. Act Is Challenge to International Law and Usage and World Peace”—KCNA headline]

[Text] Pyongyang, April 8 (KCNA)—Delegates of international organizations and political parties and organizations of different countries criticised the United States and its followers for aggravating the situation in the Korean peninsula.

Sam Marcy, chairman of the Workers World Party of the United States, in an article contributed to the newspaper workers world on March 31 said the United States now is in a desperate bid to make it appear that the DPRK “is promoting a criminal program overtly and covertly to become a nuclear power.”

He said it is entirely a matter of sovereignty for the Korean Government to decide on who should come and what he should inspect, whether it be nuclear facilities or any other things. The progressive people and working class in the United States should support the DPRK’s cause of justice, he added.

The Jordanian Islamic and Christian United Action Front in a statement dated March 30 denounced what the United States has been doing on the Korean peninsula as a total challenge to international law, international usage, human rights and to the interests of the people in the DPRK and the rest of Asia and to world peace.

A Cuban delegate and 18 resident representatives of Dominican, Palestinian, Salvadoran and other national political parties and organizations and international organizations including the Tri-Continental People’s Solidarity organization in Cuba held a joint conference in Havana on March 30 and published a joint statement, in which they called attention to the fact that the U.S. imperialists and the South Korean authorities are now driving the situation of the Korean peninsula to the brink of war on the pretext of the fictitious “nuclear issue of the North”. The actual nuclear threat on the Korean peninsula comes from South Korea where U.S. forces are stationed, said the statement.

It strongly urged the United States and the South Korean authorities to unconditionally and immediately give up

the deployment of Patriot missiles in South Korea and the resumption of the “Team Spirit” joint military exercises.

The Peruvian group for the study of works of Comrade Kim Il-song and the Portuguese Committee for Supporting the Independent and Peaceful Reunification of Korea, too, published statements urging the United States to renounce its position of “strength” and solve the issue through dialogue and negotiation.

Malaysian Front Writes to U.S.

SK0804152494 Pyongyang KCNA in English 1510
GMT 8 Apr 94

[“No Evidence of DPRK’s Nuclear Arms Development”—KCNA headline]

[Text] Pyongyang, April 8 (KCNA)—The Malaysian Action Front said the suspicion and allegation that North Korea was “developing nuclear weapons” were nothing but a speculation and propaganda of the West and there was no convincing evidence.

In a letter to the U.S. President on the situation of the Korean peninsula, representatives of the front said the U.S. concern over the possibility of “nuclear arms development” by North Korea was a flamboyant hypocrisy.

The letter said:

“The ‘nuclear issue’ of Korea must be resolved peacefully only through a fair dialogue, not by pressure, military threat or economic ‘sanctions.’

“The U.S. Government and Congress must abandon such dangerous games as the provocation of a new war.”

African Figures Comment

SK0904151594 Pyongyang KCNA in English 1503
GMT 9 Apr 94

[“The U.S. Must Immediately Stop Nuclear Threat to Korea”—KCNA headline]

[Text] Pyongyang, April 9 (KCNA)—Public figures of different countries have criticised the U.S. pressure upon the DPRK.

Tanzanian Vice-Minister of Home Affairs Edward Mwe-saumo said in a statement March 26:

“The United States is making haste with the deployment of Patriot missiles in South Korea and threatening ‘sanctions’ against the DPRK. This cannot be construed otherwise than a premeditated act intended to delay a solution to the nuclear issue of the Korean peninsula and stifle the DPRK.”

Mozambican Minister of Interior Manuel Jose Antonio said in a statement April 1 that nothing could be solved by war or pressure and all the issues should be settled only through peaceful negotiation.

"The United States must renounce its policy of strength," he added.

Chairman of the Zaire-Korea Friendship Association Pierre Welo Ahondju Ewale said in a statement April 1 that the United States, if it is truly willing to solve the nuclear issue of the Korean peninsula, must stop at once, though belatedly, introducing Patriot missiles into South Korea and posing a nuclear threat to the DPRK and approach the DPRK-U.S. talks with sincerity.

"If the United States venture invasion of Korea, we will join the heroic Korean people in the fight of justice against U.S. imperialism," he declared.

Asian Committee Condemns U.S.

SK0904103394 Pyongyang KCNA in English 1012
GMT 9 Apr 94

[Text] Pyongyang, April 9 (KCNA)—The Asian Regional Committee to Support Korea's Reunification condemned the perfidy of the United States in totally reversing the agreed conclusions reached at the DPRK-U.S. contact in New York.

In its statement March 28, the committee said the U.S. act at a decisive moment with the solution of the nuclear issue at hand clearly proved that it was still pursuing a double-dealing policy of resorting to a war scheme and threat to socialist Korea while having talks with the latter.

Pointing out that the United States is manoeuvring to isolate and stifle Korea, cashing in on talks, negotiation and "nuclear inspection", the statement demanded that it immediately withdraw from South Korea with all its nuclear weapons and allow an overall inspection of its nuclear weapons in South Korea.

Secretary General of the Committee, Om Prakash Mantri, sent protest letters to the U.S. President and the South Korean chief executive.

The letters demanded that the United States take an effective measure for the implementation of the agreed conclusions, squarely looking at the realities, and the South Korean authorities stop obeying to its orders.

The committee published on March 29 an appeal to political parties and public organizations and peace-loving people in Asia, calling upon the peaceloving people of Asia and the rest of the world to wage a vigorous struggle against the perfidy of the United States.

Russian Group Appeals for Peace

SK1104025894

[Editorial Report] Pyongyang Korean Central Broadcasting Network in Korean at 1200 GMT on 9 April carries a brief report on a letter of appeal to UN Secretary General Butrus Butrus-Ghali issued on 30 March by the Standing Committee of the Committee of

Peace and Today of Russia in connection with the present situation of the Korean peninsula.

The report says: "The letter of appeal indicates that it calls the UN secretary general's attention to the tense situation of the Korean peninsula. The letter of appeal revealed that the overall campaign the United States and its follower forces are waging is aimed at creating another tension on the Korean peninsula. The letter of appeal appealed to the United Nations to exert due efforts to resolve the nuclear issue of the Korean peninsula by means of peace, not by means of unwarranted pressure, a policy of force, and sanctions against Korea. The letter of appeal stressed that today when the 21st century is nearing, all problems should be resolved by way of talks."

Kim Yong-sam 'Dependence on Outside Forces' Viewed

SK0904101094 Pyongyang KCNA in English 1003
GMT 9 Apr 94

[("MINJU CHOSON Slams Kim Yong-sam Group's Dependence on Outside Forces"—KCNA headline]

[Text] Pyongyang, April 9 (KCNA)—Our fellow countrymen cannot live in peace nor can they avoid a nuclear disaster with such traitors as the Kim Yong-sam group utterly devoid of independence left in the nation, and must remove them in time, stresses MINJU CHOSON today.

The news analyst says:

The traitor Kim Yong-sam during his trip to Japan asked Japan to "take responsible measures" over the "nuclear issue" of the DPRK. He also called the U.S. President on the phone and begged for "close cooperation" of the United States in South Korea's campaign over the issue.

The South Korean "foreign minister" advertised the "need of international sanctions" against the DPRK during his trip to the United States and Japan.

This shows the South Korean puppet clique's dependence on outside forces and flunkeyist treacheries against the nation have been carried into the extremes.

The Kim Yong-sam group regards it as the only way of prolonging its days to harm and stifle fellow countrymen as a shock brigade in the anti-DPRK hostile policy of outside forces. That is why the puppet clique is persisting in confrontation and war moves against the North.

The Kim Yong-sam group must ponder over the grave consequences that might come from its reckless act of driving the situation to the brink of war in collusion with outside forces.

ROK Said Driving Peninsula to 'Brink of War'

SK1004091294 Pyongyang KCNA in English 0907
GMT 10 Apr 94

[“Where Do They Drive the Situation?”—KCNA headline]

[Text] Pyongyang, April 10 (KCNA)—The South Korean rulers are driving the situation on the Korean peninsula to a grave phase, making much ado as if a war were imminent due to the North. Commenting on this, NODONG SINMUN today states that it is not the North but the Kim Yong-sam traitor clique of South Korea who are scheming a war on the Korean peninsula.

The news analyst says:

The Kim Yong-sam group adopted a “policy of tough response” to the North at a “high-level strategic meeting.” It worked out long ago a war scenario against the North codenamed New Operation Plan 5027, and promoted a plan for introducing Patriot missiles, crying for “a prompt entry into action” and “surprise operation.”

The Kim Yong-sam group is driving the situation to the brink of war against fellow countrymen in collusion with outside forces. In this it seeks to stifle the DPRK with “strength,” realise its ambition for unification by invading the North and prolong its power with the military support of its master.

The Kim Yong-sam group is a gang of treacherous political charlatans most dependent on outside forces among the successive rulers of South Korea.

In order to ease the tensions in Korea, save the nation from disaster and promote peace and peaceful reunification of the country, the U.S. hostile policy toward the DPRK must be changed and such traitors as Kim Yong-sam be removed from power in South Korea.

ROK Student Protest of Market Opening Reported**Meetings Attract 30,000**

SK0804140394 Pyongyang Korean Central Broadcasting Network in Korean 1220 GMT 8 Apr 94

[Text] This is just-in news. According to Seoul radio reports, today, approximately 30,000 members of the National Federation of General Student Councils, who are students of approximately 130 South Korean universities, held meetings to express their resolve to stop the National Assembly from ratifying the treacherous Kim Yong-sam clique’s opening of the agricultural market and waged demonstration struggles. They also jointly boycotted class [tongmaeng hyuhak].

In Seoul, students of approximately 20 universities, including Korea and Hanyang Universities, held meetings to express their resolve and sternly denounced the puppet Kim Yong-sam clique for a nation-selling treacherous act.

The students denounced that the final implementation plan to open the agricultural market, which the Kim Yong-sam ring had presented to the GATT, resulted from its full acceptance of the U.S. brigandish demand [kangdojok yogu] and strongly demanded the withdrawal of the plan and the renegotiation of the Uruguay Round [UR].

After the meetings, the students took to the streets and waged demonstration struggles. The demonstrators repeatedly chanted slogans such as “Let us stop the National Assembly from ratifying the opening of the agricultural market!”

The nation-selling treacherous Kim Yong-sam clique sent approximately 20,000 combat policemen of approximately 170 companies to Seoul streets to suppress the students. However, the students defiantly continued their struggles.

Radio reports also say that university students, who are members of the National Federation of General Student Councils, joined in struggles in Pusan and various other regional cities.

Rejection of GATT Accord Urged

SK0904053294 Pyongyang KCNA in English 0450
GMT 9 Apr 94

[Text] Pyongyang, April 9 (KCNA)—Upwards of 30,000 students of far more than a hundred universities across South Korea under the South Korean Federation of General Student councils Friday held rallies and protests and boycotted school to check the “parliamentary ratification” of farm market opening by the Kim Yong-sam group, a radio report from Seoul said.

Some 20,000 students of 20 odd universities in Seoul including Korea and Hanyang Universities at their rallies branded the enforcement schedule submitted by the Kim Yong-sam regime to the GATT as humiliating one which complied with the brigandish demand of the United States. They strongly urged its revocation and “renegotiation of the Uruguay Round talks.”

They held protests shouting “check the ‘parliamentary ratification’ of farm market opening” in the teeth of repression by combat police of some 170 companies 20,000 strong.

Student protests also took place in Pusan, Kwangju, Taegu and other local cities.

Committee Formed

*SK1004031894 Pyongyang KCNA in English 0806
GMT 10 Apr 94*

[Text] Pyongyang, April 10 (KCNA)—The opposition Democratic Party of South Korea Friday entered into a full-dressed out-of-the-assembly struggle against farm market opening with the inaugural ceremony of the committee for checking the ratification of the Uruguay Round [UR] accord.

Chairman of the Democratic Party Yi Ki-tae, who was elected chairman of the committee, in his speech at the inaugural ceremony said that the present regime which had revealed its diplomatic incompetency and deceived the people was entirely responsible for the out-of-the-assembly struggle which the opposition party had to wage to check the "National Assembly ratification" of farm market opening.

He warned that his party would intensify the all-people struggle if the authorities refused to shelve the signing of the "enforcement schedule of the Uruguay Round accord" and to proceed with the renegotiation of the Uruguay Round results".

Further on Rallies

*SK1004090994 Pyongyang KCNA in English 0851
GMT 10 Apr 94*

[“Rallies Held To Denounce Farm Market Opening and Check Its ‘Parliamentary Approval’”—KCNA headline]

[Text] Pyongyang, April 10 (KCNA)—People's rallies were held in Seoul, Pusan, Taegu, Kwangju, Taejon and six other cities of South Korea from two Saturday afternoon to denounce the farm market opening and check its "parliamentary approval," a radio report from Seoul said.

The rally in Seoul was attended by 15,000 farmers, dissidents, citizens and students under the South Korean Federation of General Student Councils (Hanchongnyon).

The ralliers said the South Korean countryside would be ruined by the Uruguay Round of world trade talks in which the authorities fully accepted the brigandish demands of the United States.

They urged the "National Assembly" to refuse to "approve" farm market opening.

In his address at the rally, Yi Ki-tae, president of the Democratic Party, urged the authorities not to attend the signing ceremony of the Uruguay Round accord scheduled in Morocco on April 15, saying that South Korea's agriculture and countryside were standing on the edge of a cliff due to the humiliating diplomacy.

After the rally, the participants continued their protests for a long time in front of the "National Assembly

building," shouting "check with death the parliamentary endorsement of the Uruguay Round accord."

Prior to the rally in Seoul, 3,000 students of Seoul National, Korea and Hanyang Universities under Hanchongnyon held meetings to check the Uruguay Round at their universities and dispatched a group of 200 hunger strikers to Myeongdong Cathedral in Seoul.

Hanchongnyon announced that a hunger strike against farm market opening will be organised from April 9 to 15.

Rallies and demonstrations also took place in ten other cities including Pusan, Taegu, Kwangju and Taejon, attended by 10,000 people of different strata.

On Friday, 3,000 students held a rally and protests in Seoul shouting "Down with Kim Yong-sam" and "Oppose foreign rice."

'Vigorous Anti-U.S. Protests' Reported in ROK

*SK1104061094 Pyongyang KCNA in English 0604
GMT 11 Apr 94*

[“NODONG SINMUN on Anti-U.S. Protests of South Korean Students and People”—KCNA headline]

[Text] Pyongyang, April 11 (KCNA)—It is only too natural that the South Korean students and people rose in struggle under anti-U.S. slogans, says a NODONG SINMUN analyst today, commenting on various meetings, rallies and demonstrations which have taken place almost every day these days in nearly all places of South Korea against the U.S. imperialists' new war provocation moves.

The news analyst goes on:

After unilaterally aborting the third round of talks with the DPRK on unreasonable pretexts, the U.S. imperialists openly talked about stepping up military threat and pressure on the DPRK and have massed their aggression forces in and around South Korea. The racket of confrontation and war against the DPRK kicked up by the Kim Yong-sam group of traitors by taking advantage of it has now reached an extremely reckless phase. It goes without saying that should their such reckless military moves be overlooked, peace and security on the Korean peninsula would be disturbed and our nation would suffer a holocaust of nuclear war.

South Korean students and people could not tolerate it, so they rose in vigorous anti-U.S. protests to remove the source of their misfortunes.

Nevertheless, the Kim Yong-sam fascist clique are ruthlessly cracking down on the people's righteous patriotic struggle at the point of the bayonet. This is an anti-national criminal act that could be done only by such sycophant traitors as the Kim Yong-sam group which is seeking to prolong its stay in power under the patronage

of outside forces, bartering away the dignity and interest of the nation lock, stock and barrel.

Nothing can break the unshakable will of the South Korean people to live in a peaceful and reunified country free from foreign domination and interference.

CPRF Denounces ROK Nuclear Weapons Development

SK1104054194 Pyongyang KCNA in English 0533
GMT 11 Apr 94

[“CPRF Secretariat Denounces South Korean Authorities’ Development of Nuclear Weapons”—KCNA headline]

[Text] Pyongyang, April 11 (KCNA)—The Kim Yong-sam group must not resort to the reckless confrontation row against the North by taking issue with it in a far-fetched manner, while developing nuclear weapons for their part, but eliminate the pressurized heavy water reactor (PHWR) and the multi-purpose research reactor which have been fully revealed as ones for developing nuclear weapons, and stop at once their development of nuclear weapons, said the secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] in its Information No. 648 released Sunday.

Recalling that the Central Committee of the South Korean National Democratic Front (Hanminjon) in its white paper March 30 disclosed that the heavy water reactor in Wolsong and the multi-purpose research reactor at the Taedok complex in South Korea are used to develop nuclear weapons and that South Korean publications and foreign media continued to report materials of scientific analysis and evidences of those concerned proving it, the information denounces the South Korean puppets’ development of nuclear weapons as an undisguised act of perfidy on the joint declaration on denuclearization already agreed upon between the North and the South.

The information says:

The Kim Yong-sam group is groundlessly taking issue with the North over its “nuclear issue,” pressing home the urgency of a solution to the nuclear issue on the Korean peninsula. This is intended to draw public attention at home and abroad to the North and speed up its own development of nuclear weapons behind the facade and provide justification for it.

The DPRK’s “nuclear issue” is a product of the anti-socialist, anti-DPRK plot of the United States and its followers.

The United States must give up the unjustifiable pressure upon the DPRK, stop the deployment of nuclear war materiel including Patriot missiles in South Korea and not resume the provocative “Team Spirit” nuclear war exercise.

The secretariat of the International Atomic Energy Agency (IAEA) must apologize for widening the scope of partiality by following the United States in its anti-DPRK moves and strictly keep to the principle of impartiality in nuclear inspection.

We take this opportunity to express our belief that justice- and peace-loving governments, political parties, public organizations, individual personages and progressive people all over the world will further lift up voices of solidarity for the Korean people’s just struggle to check and frustrate the Kim Yong-sam group’s development of nuclear weapons and denuclearize the Korean peninsula.

Text of CPRF Statement

SK1104092794 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 11 Apr 94

[Information No. 648 issued by the Secretariat of the Committee for the Peaceful Reunification of the Fatherland on 11 April in Pyongyang]

[Text] The Committee for the Peaceful Reunification of the Fatherland [CPRF] Secretariat issued the following information exposing and denouncing the South Korean puppet authorities’ maneuvers for nuclear weapons development.

CPRF Secretariat Information No. 648

Data concerning the South Korean puppets’ maneuvers for nuclear weapons development are exposed one after another these days, arousing deep concern and indignation at home and abroad.

The South Korean National Democratic Front Central Committee in a white paper dated 30 March disclosed that the South Korean heavy-water reactor in Wolsong and its multipurpose research reactor in the Taedok complex were intended to develop nuclear weapons. South Korean publications and foreign media also continue to report scientific analytical data and testimony from relevant people that confirm this.

The South Korean puppets’ maneuvers for nuclear weapons development are an outright betrayal to the joint declaration on denuclearization on which the North and the South have agreed, and a vicious challenge to the aspiration of all the fellow countrymen who yearn for peace and peaceful reunification of the country.

The South Korean puppets had already established a policy of developing nuclear weapons by the early 1970’s, and brought a Candu-type [Canadian Deuterium-Uranium] heavy-water reactor from Canada and installed it in Wolsong in order to secure fissionable material. The heavy-water reactor in Wolsong is a nuclear reactor for the development of nuclear weapons disguised for commercial use. The South Korean magazine WOLGAN CHOSON exposed, through the testimony of the specialists who were directly involved in the nuclear weapons development, that the heavy-water

reactor in Wolsong brought from Canada was aimed at producing nuclear weapons.

The heavy-water reactor—the main purpose of which is to produce plutonium, different from the light-water reactor for commercial use which is supposed to replace fuel all at the same time, suspending operations after filling it with nuclear fuel every year or year and a half—is designed so that part of the fuel is replaced every day. Therefore, it is easy to secretly hoard the plutonium. The South Korean magazine WOLGAN CHOSON No. 4, 1992 issue referred to the remark of a researcher from the South Korean Atomic Energy Research Institute who said that hoarding can be done by making a double ledger and recording in it that 10 kg of nuclear fuel is processed even if 1,000 kg of nuclear fuel is actually processed. This means that the puppets are hoarding plutonium even under surveillance by the International Atomic Energy Agency [IAEA].

The heavy-water reactor in Wolsong is extracting an enormous quantity of used nuclear fuel containing highly pure plutonium from natural uranium. The heavy-water reactor in Wolsong, which began operation in April 1983, has produced an enormous quantity of plutonium, from which some 370 nuclear bombs can be made.

Newspapers of many countries, including the United States and Britain, have reported data exposing the status of nuclear weapons development in South Korea and that South Korea has already stockpiled 10 tons of plutonium, which will increase to 24 tons by the year 2000.

The multipurpose research reactor in the Taedok complex is also intended solely for the development of nuclear weapons. The South Korean puppets, carrying on a joint design project with Canada for the multipurpose research reactor beginning in 1985, obtained not only the technology necessary for designing and manufacturing a nuclear bomb but the computer software [chonsan koud], the key element thereof, as well.

The Japanese magazine SEKAI No. 12, 1992 issue reported that the multipurpose research reactor can produce a nuclear bomb if South Korea purchases enriched uranium from another country quite legally and highly enrich it by using the 20 percent enriched uranium, which is the highest limit of the lowly enriched [chonongchuk] uranium and the lowest limit of the highly enriched uranium. The SEKAI magazine also noted that the reactor can be remade quickly into a reactor to produce plutonium and that it is a reactor for military use, which can produce highly pure plutonium as well.

The South Korean puppets have accelerated the development of nuclear weapons in an integrated plutonium generating and extracting system by adding a research retest facility—a semi-reprocessing facility—when they built the multipurpose research reactor so that the used

nuclear fuel from the multipurpose reactor can be directly reprocessed in the research retest facility.

On 29 March, Japanese NHK exposed that the South Korean puppets have activated its own nuclear weapons development by a group of specialists in the nuclear research facility in Taedok since 1991, a year before the multipurpose research reactor was completed.

The Kim Yong-sam group is today further accelerating its nuclear weapons development on a full scale by openly denying the joint declaration on the denuclearization of the Korean peninsula and going in the direction of invalidating it.

On 1 April 1993, the former South Korean minister of the National Unification Board said that the joint declaration on the denuclearization of the Korean peninsula was originally invalidated, that it was time for them to possess nuclear capacity, and that the National Assembly should raise its voice for possessing nuclear weapons.

On 9 October, Kim Yong-sam the traitor presided over a so-called security-related ministers' meeting with the presence of the minister of Science and Technology to conspire on the issues of securing a nuclear fuel reprocessing reactor and reviewing the joint declaration on the denuclearization of the Korean peninsula. Regarding these South Korean puppet's suspicious moves, NEW KOREA TIMES, an overseas Koreans' newspaper, exposed in its 23 October 1993 issue that the independent right for nuclear development had become a frequent subject at the National Assembly.

Facts clearly prove that the Wolsong heavy-water reactor and multipurpose research reactor in Taedok complex were built for nuclear weapons development and that the puppets have been secretly prompting the development of nuclear weapons.

The Kim Yong-sam group is groundlessly taking issue over our nuclear issue talking about the urgency of the resolution of the nuclear issue on the Korean peninsula. It is intended to draw domestic and international attention to the North, while accelerating its own nuclear weapons development behind the scenes and justifying it.

Our so-called nuclear issue is a product of the antisocialist and anti-Republic plot of the United States and its followers. Under the special circumstances of unilaterally withholding the effect of the announcement of withdrawal from the Nuclear Nonproliferation Treaty temporarily in concurrence with the announcement of the DPRK-U.S. joint statement, we suspended all transportation of nuclear materials within the Republic to prove the transparency of nuclear activities, and allowed inspections to assure the continuity of safeguards.

In particular, to root out the so-called suspicion, we even made a bold decision to transform the existing graphite moderated reactor system to a light-water reactor system knowing that this would sacrifice the independence of

the nuclear energy industry, thus displaying the innocence of our nuclear policy at home and abroad. The South Korean top leader also confessed in a recent news conference that we do not have nuclear weapons and admitted that the nuclear development commotion was to frame fellow countrymen and was a deliberate scheme to conceal the truth of their nuclear weapons development.

Even while developing nuclear weapons, the Kim Yong-sam ring is irrationally kicking up reckless confrontational commotions against the North. Instead, it must eliminate [pyegi] its heavy-water reactor and multipurpose research reactor, which is clearly for developing nuclear weapons and immediately stop maneuvering to develop nuclear weapons.

It is the United States that blocks resolution of the nuclear issue on the Korean peninsula. Instead of fulfilling its obligation under the DPRK-U.S. agreement, the United States deliberately avoids fulfilling it and uses the so-called nuclear issue of the North as a means to fulfill its insidious [pulsunhan] purpose of crushing [apsal] our republic.

The United States must stop kicking up unjust commotions to pressure us and deploying Patriot missiles and other equipment for a nuclear war and must not resume the provocative Team Spirit nuclear war exercise.

The IAEA Secretariat is also responsible for the fact that the issue of denuclearizing the Korean peninsula has not been resolved. The IAEA Secretariat pointlessly [kongyonhui] found fault with our experimental reactor for generating electricity, whose irreproachability [kyolbaek-song] has already been proven and which has no problem at all, and takes issue with the reactor under unjustifiable pretexts. Rather, it turns a blind eye to [mugin] the military-purpose heavy-water reactor and multipurpose research reactor in South Korea, which have grave problems [omjunghan munje] and turned a blind eye to [kkaraborida] even those reactors which came into question [munjesidoeotton] during inspections.

The IAEA Secretariat must apologize for widening the scope of its partiality [pulgongjongsongui pomwi hwaktae] by following the United States in its antirepublic maneuvers and must strictly keep to the principle of impartiality in nuclear inspections.

We take this opportunity to express our belief that governments, political parties, public organizations, individual personages, and progressive people of various countries of the world that love justice and peace will further raise their voices of solidarity with the Korean people's just struggle to check and frustrate [choji patan] the Kim Yong-sam ring's nuclear weapons development maneuvers and denuclearize the Korean peninsula.

[Issued] 11 April, Pyongyang

Finance Minister Reports State Budget to SPA

SK0904004994 Pyongyang Korean Central Broadcasting Network in Korean 0701 GMT 7 Apr 94

[Report by Finance Minister Yun Ki-chong to the second day morning session of the Seventh Session of the Ninth Supreme People's Assembly on 7 April: "Review of the Performance of the DPRK State Budget for 1993 and the State Budget for 1994"—recorded]

[Text] Comrade deputies: Under today's grand circumstances in which all the people are responding to the party's appeal and displaying their infinite devotion by vigorously accelerating the general march of socialism, we will discuss the result of the execution of the state budget of last year and this year.

Today, our people are accelerating the struggle to implement the revolutionary economic strategy set forth by the great leader Comrade Kim Il-song at the 21st plenary session of the sixth Central Committee of the Workers' Party of Korea [WPK] and the letter he sent to the historic national agricultural meeting. They are also effecting a new great upsurge in the major fronts of economic construction, including agriculture and light industry.

Enhancing the genuine appearance of our society's single-hearted unity firmly rallied around the party and the leader [suryong] and their beautiful communist virtues which show our people's noble ideological and mental features, all of our working people are vigorously advancing, while breaking through all sorts of difficulties and the challenge of enemies, and the whole country is filled an unprecedented upsurge in the popular masses' revolutionary zeal.

We should strengthen the country's might and further exalt the superiority of the popular masses-centered socialism of our own style by successfully executing the immense tasks of economic construction that we are facing and this year's state budget on the strength of our masses' surging revolutionary zeal. By the authority of the Government of the Republic I will now present a report on the settlement of the execution of the state budget for 1993 and the state budget for 1994.

Comrade deputies: Last year our people won a great victory in socialist construction by surmounting the grim trials laid before the fatherland and the revolution and by fighting heroically under the party's leadership.

The great leader Comrade Kim Il-song has taught: Winning successive victories in political and military confrontation with enemies under the party's leadership, our people vigorously accelerated socialist economic construction with surging revolutionary zeal last year and, as a result, adorned the last year of the Third Seven-Year Plan as a brilliant year.

Last year, the imperialists and reactionaries perpetrated offensives and aggression manuevers designed to oppose our republic, a fortress of socialism, and to crush our

socialist cause more adventurously and viciously. However, they could not frighten our people, nor could they block our people's advance.

Our party took a stern self-defensive measure of placing the whole country, all the people, and all the Army in a semi-war state to cope with the extremely acute situation which was created due to the Team Spirit joint military exercise staged by the U.S. imperialists and, thus, vigorously inspired all the people throughout the country into a struggle to defend the sovereignty of the country and the gains of the revolution.

Brave officers and men of our People's Army and all of the working people who are infinitely loyal to the party and the leader [suryong] bravely rose up with a do-or-die determination in response to the party's call and heroically braved the enemies' offensives, holding aloft the banner of socialism to thus honorably defended the fatherland's dignity and security. [applause]

Upholding our party's call, our people waged a vigorous and continuous battle of loyalty, maintaining the spirit of general mobilization heightened during the period of a semi-war state, registered great labor exploits, and grandly celebrated the 40th anniversary of the victory in the Great Fatherland Liberation War. Through this, they strongly demonstrated the heroic spirit of our people vigorously advancing firmly rallied around the party and the leader and the might of chuche Korea. [applause]

In the forceful blaze of the external struggle and of the socialist general onward march which was vigorously waged greeting the 40th anniversary of the war victory, the revolutionary ranks of our wholehearted unity were solidified more firmly into an invincible force, and a great upsurge was brought forth in socialist economic construction. By so doing, a great victory was won in the battle for the final year of the Third Seven-Year Plan.

In connection with the conclusion of the Third Seven-Year Plan, the 21st plenary meeting of the Sixth WPK Central Committee held last year proudly summed up the great advance our people had achieved in all sectors of socialist construction under our party's great leadership despite grave trials and difficulties during this period when the situation at home and abroad was most complex and acute. By so doing, the plenary meeting highly demonstrated again the heroic spirit of the chuche Korea and the might of our-style socialism which is firmly maintained in a corner of the Orient and is victoriously advancing.

All the victories our people achieved in acute confrontation with enemies last year were a great victory of the ever-victorious strength of our party's iron will and tested leadership and independent, self-reliant, and self-defending revolutionary line. They were the victory of the wholehearted unity of the leader, the party, and the masses. They were the powerful demonstration of the superiority and invincibility of our-style socialism centered on the popular masses. [applause]

In the all-people general onward march last year, our people brought forth great upsurges in socialist economic construction, thus successfully executing the state budget as well. The total state budget revenue last year was 40.5712 billion won. This represents our overfulfilling the plan by 0.3 percent. Because our people vigorously waged a mass campaign to increase the financial revenue by effecting production upsurge in all sectors of the people's economy and effectively utilizing the existing economic base, the budget revenue scored an increase of 2.6 percent over the previous year.

The total state budget expenditure last year was 40.24297 billion won. This represents an execution of 99.5 percent of the planned amount and an increase of 2.4 percent over the previous year.

The state budget last year satisfactorily ensured the increasing financial demands in various domains of socialist construction based on the increased budgeted revenue, and was successfully summed up with financial reserves of 328.23 million won.

During the period of the Third Seven-Year Plan which was embroidered with great creation and construction, state budget income in our country increased with a rapid average speed of 5.2 percent per year and the total scale of budget income increased 1.4 times.

As a result, the state budget in our country excellently contributed to strengthening the might of the self-reliant socialist economy, to promoting and developing a socialist national culture, to promoting the people's material and cultural welfare, and to highly displaying the superiority of our own-style socialism.

This clearly demonstrates incomparable superiority and firmness of the state budget of our country, which is developing in a planned manner based on independent financial foundations, as well as the justness of our party's financial policy. [applause]

Last year, the government of the republic increased disbursement of funds to the national economy 2.5 percent over the previous year with a view to accelerating socialist economic construction and to further promoting the people's living standard. Of the funds, the investment in precedent sectors of national economy, in light industry, and in rural economy was drastically increased.

Last year the state budget increased the investment in coal industry, mining industry, electric power industry, and metal industry, by 3.5 percent over the previous year, and ensured production conditions with priority. Thus, it directed great efforts to effecting a production upsurge in these domains.

By cherishing ardent loyalty to the party and the leader, the working class of the coal industry domain effected collective innovations last year, and completed construction of Hwapung mine in Anju district mine complex; the project of in-pit belt-conveyer transport line in

Namyang mine, Pukchang district mine complex, and first and second-phase construction project of long-range conveyor-belt transport line in Yongdae mine. The working class in this domain vigorously pushed ahead with construction of new mines and new pits, and expansion project of existing pits, and accelerated modernization of in-pit transport means and coal mining facilities, thus drastically increasing coal production capacity.

Last year, the mining industry sector completed construction of No. 12 pit and No. 24 vertical pit in Komdok mine complex; ore dressing site in (Taeuri) mine; ore dressing site in Changsang mine, and [word indistinct] in Mumuri mine. The mining industry sector further expanded mines with bright prospects and drastically increased production of various types of ore including lead, zinc, and copper.

Construction of large-scale hydroelectric power stations and thermoelectric power stations, Kumgangsan power station, and Yongwon power station was vigorously pushed ahead last year, thanks to the devoted labor struggle of the working class of the electric power industry sector which is endlessly loyal to the party and the leader, and of the builders of the power stations. In addition, the No. 1 generator in Namgang power station and No. 2 generator in Tongpyongyang thermoelectric power station began operation, and a large number of small and medium-size hydroelectric power stations were built in many places.

Last year in the metal industry sector, the construction project of the steel plate [words indistinct] in the Hwanghae Iron and Steel Complex, the construction project of the [word indistinct] in the Chollima Steel Complex, and the expansion work of the ferroalloy workshop in the Puryong Ferroalloy Complex were completed because of the strength of the state's vast investments and steel workers' creative efforts and struggle. The processes of steel and rolling steel manufacturing were readjusted and strengthened, and, as a result, metal plants were more firmly built into a chuche-oriented and modern metallurgical base.

Last year, our party and the government of the republic concentrated great efforts on developing the light industry. The state budget allocated a large amount of funds—which increased 4 percent over the previous year—to the light industry sector in accordance with our party's revolutionary policy of increasing investments in the light industry and of thoroughly carrying out the revolution in the light industry sector.

Thanks to our party's active measures and the devoted labor struggle by the working class in the light industry sector, a great innovation was effected in the production of various kinds of daily necessities urgently required in improving the people's living. Along with this, the expansion work of the Kusong textile plant, the construction of the 4 March plant, the construction of the Nanam clothing plant, and the construction projects of various

other modern textile and clothing plants, shoes plants, and food processing plants were completed and put into operation. Thus, the modernization of light industry plant facilities were vigorously carried out.

Last year, the government of the republic also allocated a large amount of funds—which increased 4 percent over the previous year—to the railway transport sector. The working class and builders in the railway transport sector readjusted and strengthened major trunk lines into heavy-duty rails by accelerating the modernization of railway transport and the introduction of heavy-duty railways, upholding the party's policy of carrying out the revolution in the transport sector. They also actively carried out the work for technological innovation and completed the electrification of the Yongkwang-Saju line, the construction of the turning line [tollimson] railway construction between Kowon and Kurae, and other railway electrification projects and new railway construction in many areas. Thus, they further increased the railway transport capabilities.

Last year, the rural economy sector vigorously waged the struggle to implement the demands of the socialist rural theses and the chuche farm methods and, as a result, achieved a great progress in agricultural production.

Last year, the state sharply increased its investment in agriculture—2.8 percent over the previous year—in an effort to strengthen the material and technological foundation of the rural economy by carrying out the rural technological revolution. Last year, on the strength of the vigorous support from the people throughout the country, our agricultural working people completed the construction of the Sohae lockgate (Haesan)-Ongjin waterway and, thus, more smoothly resolved the water supply problem in our country's plain areas. They also built 1,000 water pumping stations and drainage facilities and more of water reservoirs and underground water supply facilities in various areas. Thus, they more properly perfected the irrigation system in our rural areas.

Thanks to our party's active measures to achieve the use of chemicals in the rural economy, last year more of various kinds of chemical fertilizer were produced and supplied in the rural areas, and, as a result, the amount of chemical fertilizers applied on fields across the country increased by far.

Last year, a large number of tractors, trucks, and various types of modern farm machines were produced and supplied to cooperative farms.

By vigorously carrying out the huge nature remaking project to build a tideland towards the West Sea, our brave tideland builders have registered a brilliant feat of reclaiming vast areas of tidal land by completing construction on Kumsong and Chongsudo tidelands.

Under the banner of the socialist rural theses, irrigation and electrification have already been completed at a high level in our country's rural areas, and new progress has also been made in mechanizing and scientizing rural

areas. Thus, a significant [kyolchongjogin] victory has been achieved in implementing a technological revolution in rural areas.

The great leader Comrade Kim Il-song sent a historic letter to the national agricultural meeting held on the 30th anniversary of the publication of the theses on our country's socialist rural problems. In the letter, summing up the great victory achieved by our party and people in the struggle to implement the rural theses, he announced proudly that the historic task of implementing the technological revolution in rural areas, which is presented in the socialist rural theses, has basically been completed [kibonjogurowansong toeodda] with the realization of irrigation, electrification, mechanization, and scientization in our country's rural areas. [applause]

This is the change of the century made in our country's rural areas and the most brilliant victory achieved in the course of the struggle to realize the rural theses. [applause]

Because of the technological revolution realized in rural areas under the brilliant rays of the socialist rural theses, the material and technological basis of agriculture has been strengthened further than ever, and we could achieve a bumper crop last year despite unfavorable weather by completely observing the chuche farming method.

The brilliant result achieved in the rural economic development under our party's leadership clearly demonstrates the great vitality of the socialist rural theses, which has opened the broad way to solve rural problems, and the superiority of our country's socialist rural economic system, which has been consolidated and developed under the banner of the rural theses. [applause]

The republic's government appropriated an enormous fund, 1.5 percent up from last year, to build more houses and to further develop cities and other territories of the country.

Upholding our party's intent to build a grand capital, builders and supporters in Pyongyang built the Kwangbok and Tong-il streets and 50,000 modern houses and completed the huge and difficult construction in the short space of one and half years by continuously effecting mass innovations. Last year, they registered another brilliant feat of completing the construction of an additional 30,000 modern houses.

The newly built magnificent, luxurious modern houses in the capital are proud creations whose construction was due to the great benevolence of our party, which has led builders to create an unprecedented speed of construction with a high goal to arrange better living conditions for our people.

Last year, in Pyongyang city, greeting the 40th anniversary of the war victory, the commemorative tower of the victory of the Fatherland Liberation War was built reflecting our party's lofty will and farsighted plan to

hand down the heroic exploits of our People's Army and our people who honorably defended the freedom and sovereignty of the fatherland to the next generations forever. Along with this, the three revolutions exhibition newly opened; a hotel for (?scientists), Pyongyang cold noodle restaurant equipped with 5,000 seats in modern facilities, the road between Pyongyang and Kangdong, the (Munsong) (?playground), and Pyongyang bowling hall—which reflects the patriotic spirit of the industrialists of the General Association of Koreans residing in Japan and their families—were outstandingly built. As a result of this, Pyongyang has been turned into a more splendid, modern city.

Numerous monumental edifices which have been built in Pyongyang in succession very year and the grand appearance of Pyongyang which is being changed clearly shows the dignified appearance of chuche Korea which is enjoying infinite grandeur and prosperity and the wisdom and heroic mettle of our people who are glorifying the era of the Workers Party.

Last year, the state built many modern houses not only in local cities such as Sinuiju, Haesan, Haeju, and Kaesong, but also in rural areas and, thus, provided more cultural living conditions to the people.

Last year, the government of the republic further increased social, cultural, and housing expenses to further develop all fields of socialist cultural construction. Last year, the state further increased scientific and technological development work expenses 7 percent over the previous year. Our scientists and technicians fully demonstrated their creative ability and wisdom with infinite loyalty to the party and the leader [suryong] and outstandingly solved various valuable scientific and technological problems arising in making the national economy chuche-oriented, modernized, and scientific. Thus, they actively contributed to the country's scientific and technological development.

Last year, the government of the republic raised expenditures for educational work 3.5 percent over the previous year and built anew some additional 20 colleges, including engineering colleges, agricultural colleges, and physical culture colleges, in provinces. It also built some 1,000 classrooms in various schools and provided schools with modern educational equipment and facilities. Thus, it has provided a firmer foundation for education for the next generations and for the training of national cadres.

Last year, the government of the republic also raised expenditures for cultural work, public health work, and sports work in an effort to smoothly guarantee the development of literary and arts, public health, and sports.

Last year, not only the (Namdaebong) secret camp and the (Pukdaebong) secret camp—which were founded by the great leader Comrade Kim Il-song during his anti-Japanese armed struggle in the area of central Korea as strong points for his local leadership—were rebuilt as

they were, but also various historical battlefields of the revolution and historical sites of the revolution which will glorify the immortal revolutionary achievements of the party and the leader forever were more outstandingly rebuilt as strongpoints for the indoctrination in the revolutionary traditions.

At the same time, last year, thanks to the policy of correctly inheriting and developing national cultural relics elucidated by the great leader and thanks to the wise leadership of our party, the royal tomb of King Tongmyong, the founder king of Koguryo, which was a powerful big country in the Orient, and the royal tomb of King Wanggon, the founder king of Koryo, were outstandingly rebuilt. With the unearthing of Tangun's tomb we could discover again the founder king of our nation and the 5,000 year history of our nation, and the work of rebuilding the tomb was vigorously carried out, thus, making the hearts of all fellow countrymen filled with national dignity and honor.

Thanks to the measures taken by our party—which ceaselessly gives unsparing love and concern to bring our children up well culturally and emotionally, and promote their health—the Songdokwon International Children's Union Members Camp has sprang up magnificently. The first stage of construction for the Hamhung Municipal Children's Union Members Camp has been finished, enabling it to open to the republic. In addition, thanks to young compatriots' patriot devotion, the splendid Aeguk Preventives Manufacturing Plant has been newly built, greatly contributing to implementing the party's lines of preventive medicine.

Last year, the state offered additional benefits to our people by increasing various popular [word indistinct] to promote the people's welfare.

Not long ago, our people observed the 20th anniversary of the proclamation of the historic law on totally abolishing the tax system. Without collecting a penny for taxes, our country last year supplied food to workers and office employees almost free of charge at state expense, and implemented the systems of overall free education and free comprehensive medical care. In addition, our country provided well-furnished houses to workers, office employees, and peasants, and electricity, service water, and even fuel were supplied free of charge. In this way, the state last year envisaged a great amount of funds worth billions of won to implement these policies alone.

Amid the rapidly changing situation and difficulties during the period of the Third Seven-Year Plan, Our party and the government of the republic invariably carried out all sorts of popular communist policies for the people without trimming a penny from the state's huge financial expenditure even under a difficult condition in which many things had to be diverted economically to the defense due to stern situation prevailing on the Korean peninsula.

During the same period, our party and the government of the republic drastically raised the wages [saenghwalbi]

of all workers, technicians, and office employees to 43.4 percent on the average, and sharply increased social security funds for welfare recipients [sahoebjangja] and scholarships to students in each school. Our party and the government of the republic implemented the epoch-making policy to increase the income of peasants of cooperative farms by increasing the purchase price of paddy rice, maize, and other agricultural products.

Our country, in which the most powerful socialist self-reliant economy has been established as a result of the brilliant embodiment of the great chuché idea, grants the most advanced social, cultural policies and popular policies. Thus, all of our people are firmly guaranteed with a stable life and fully enjoy a self-reliant political life and a happy material and cultural life.

These clearly show the superiority of popular-mass centered socialism of our own style, which cannot be compared with others, in which the party and the state not only practically ensure the people's political rights and freedom, but also do everything for the people's welfare and assume total responsibility for their life.

Last year, the government of the republic earmarked 12.5 percent of the total state budgetary expenditures for defense spending to thoroughly implement our party's military line of self-defense and to firmly defend the socialist fatherland's security and the gains of the revolution.

Today, our military might has been further solidified enough for us to be able to beat the enemy's any provocation and surprise invasion. Our one-a-match-for-a-hundred revolutionary forces are dependably defending the country's defense line with high vigilance.

The state budget last year smoothly met with the financial needs for the enormous tasks to accelerate socialist economic construction and cultural construction, to enhance the people's living standard, and to firmly solidify the country's defense capability, thus actively contributing to strengthening the country's might and defending, adhering to, and further adding luster to our style socialism.

The proud summation of the execution of the state budget last year clearly demonstrates the justness of our party's financial policy, our state budget's people-oriented nature which embodies the popular masses' independent demands and aspirations and serves the people's welfare thoroughly, and the solidity and superiority of the socialist finance of our country.

All the successes we attained last year in socialist construction and in the execution of state budget is a noble fruition of the revolutionary guideline for socialist economic construction and the direction of the socialist finance elucidated by the great leader Comrade Kim Il-song and of the struggle of all the people exerting

boundless devotion and spirit of sacrifice under the leadership of our party with wholehearted unity around the party. [applause]

Comrade deputies: Today we have a rewarding task to attain new greater success in socialist construction by thoroughly implementing the strategic guideline of economic construction which the great leader Comrade Kim Il-song put forth in the 21st plenary meeting of the Sixth WPK Central Committee.

The great leader Comrade Kim Il-song has taught: In socialist economic construction, we will set aside a period of adjustment for three years from now as decided by the 21st plenary meeting of the sixth party Central Committee. During this period, we must thoroughly implement the agriculture-first, light industry-first, and trade-first policies. At the same time, we should give definite priority to coal mining industry, power industry, and railway transport—the leading sectors of the people's economy—and continuously develop the metal industry.

The revolutionary economic strategy put forth by our party is to thoroughly implement, during the period of adjustment, the agriculture-first, light industry-first, and trade-first policies and to give priority to the coal mining industry, power industry, and railway transport—the leading sectors of the people's economy—and continuously develop metal the industry.

The party's revolutionary economic strategy is a revolutionary guideline for economic construction to solidify the country's self-reliant economic base as firm as a rock in conformity with the demand of the new stage of development of our country's socialist construction, to drastically improve the people's living standard, and to firmly solidify the springboard to bring forth a new leap forward in all fronts of socialist construction.

The 1994 state budget has been compiled in order to implement the agriculture-first, light industry-first, and trade-first policies according to the revolutionary economic strategy put forth by our party, to concentrate the country's financial resources on giving priority to the leading sectors of the people's economy, and to further strengthen the might of our country's socialist self-reliant economy.

The total revenue and expenditure of the state budget for 1994 amount to 41.52519 billion won each, up 2.4 percent in revenue and 3.2 percent in expenditure from last year.

The state budget for this year will firmly achieve an increase of the budgetary revenue based on the creative zeal of our people, who are accelerating the general onward march of socialism, and the great potential of our country's socialist, self-reliant national economy.

It is an invariable policy of our party and the Republic government to make the state budget put great emphasis on expenditure for the national economy in order to

enhance the national economic strength and to improve the people's living standard.

The government of the republic will increase expenditure for the national economy by 3.2 percent from last year, and a huge state fund will be appropriated for developing agriculture, light industry, and trade with foreign countries.

In order to consolidate and develop the achieved result in the course of the struggle to implement the socialist rural theses, upholding the great leader Comrade Kim Il-song's historic letter to the national agricultural meeting, the state will drastically [hoekkijoguro] increase investment in the agricultural sector by 6 percent from last year and will continue to accelerate the socialist rural construction.

The government of the republic will consolidate the result that has been achieved basically in the technological revolution in our country's rural areas and let it demonstrate its might. In particular, the government will concentrate its effort to expand and develop the result of mechanization and scientization under the condition that irrigation and electrification has been completed at a high level.

Our party has recently sent 500 tractors 250 automobiles, all at the same time, to rural areas in Chongdan, Yanan, and Taechon counties to elevate the level of general mechanization of rural economy and to accelerate the industrialization and modernization of agriculture.

According to the party policy, the state will send more tractors, automobiles, and various modern farming machines to rural areas by normalizing the production by farming machinery plants at a high level. The state will also concentrate efforts to increase the fertilizer production by chemical fertilizer plants and will supply well-assorted chemical fertilizer to rural areas more than before.

All agricultural working people and supporters will make all valuable results achieved in the course of implementing the technological revolution in rural areas take effect, upholding the great leader Comrade Kim Il-song's historic letter to the national agricultural meeting and upholding the banner of the socialist rural theses. They will also carry out all farming work tenaciously and methodically in a scientific and technological way while thoroughly implementing the chuche farming method. By doing so, they will make another great upsurge in grain production and all other areas of agricultural production.

This year, the government of the republic will increase investment in light industry by 5.4 percent from last year and will vigorously accelerate the light industrial revolution.

The state will also concentrate its efforts to actively modernize facilities and processing lines of existing

central light industrial plants and local industrial plants, to expand and develop branch plants, workshops, and work teams that produce 3 August people's consumer goods, to increase the production by synthetic fiber and synthetic resin chemical plants, and to supply various light industrial materials.

With a high sense of loyalty toward the party and the leader [suryong], all workers in light industry this year will highly display their positive creativity to operate the light industrial plants at full capability, normalize production on a high level, and greatly increase the production of textile goods of various sorts, daily necessities, and processed foodstuffs and decisively improve their qualities. In this way, we will make decisive turns in the production of people's consumer goods.

The state budget for this year foresees massive expenditures for increasing exports to thoroughly implement the great leader Comrade Kim Il-song's instruction on developing foreign trade to comply with the changed environment and our party's policy toward that end.

The government of the republic will increase the state investments for expanding and strengthening the existing production bases 4.2 percent this year compared to last year, establish more plants, shops, and work teams for producing export goods and further strengthen their technological basis in production, and build more bases for processing trade [kagong muyok kiji].

All sectors of the people's economy and all regions will thoroughly implement our party's trade policy, find more sources for exports, positively advance into foreign markets, thoroughly maintain their credit [sinyongul cholchohui chikigo], and vigorously carry out trade-related activities. In this way, they will make new progress in foreign trade.

Giving top priority to the coal industry, the power industry, and railway transportation, and developing the metallurgical industry is an important task to implement the plan on the agriculture-, light industry-, and foreign trade-first principle and vigorously accelerate the country's overall economic construction.

The state budget for this year foresees an increase of 3 percent in investments in the coal industry, the power industry, and railway transportation compared to last year. The government of the republic will accelerate drilling and the construction of pits in all coal mines and exert efforts to build more [word indistinct] and coal pits and modernize coal mining equipment. In the power industry, it will accelerate the construction of large-scale hydraulic power stations and thermal power stations and build many small and medium-size power stations everywhere, thus strongly consolidating the country's resource and power bases.

Also, in the railway transportation sector, the government of the republic will improve railway systems strong enough for heavy-duty trains [choldo chungnyanghwa] in the Pyongyang-Chongjin railway line and other major

railway lines, electrify more and more railway lines, and accelerate the modernization of means of transportation, thus further increasing the railway system's transportation capability.

This year, the state will increase its investment in the metallurgical industry 2.6 percent compared to last year, better repair and maintain facilities in metallurgical plants, positively realize the chuche-orientation of the metallurgical industry, and, thus, further strengthen the production basis of steel products.

According to our party's [word indistinct] economic strategy, we will score new gains in important fronts of economic construction; have all people in a few years [kakkaun yongange] fulfill our people's earnest desire to eat rice and meat soup, wear silk clothes, and live in a tile-roofed house in a few years; and further consolidate the self-reliant basis for the economy of popular masses-centered socialism of our own style like a rock.

Accelerating the cultural revolution and making socialist culture bloom and develop is an important task to highly display the superiority of socialism of our own style and complete the socialist cause.

This year the government of the republic will increase expenditure for practicing its socialist cultural policy by 2.8 percent compared to last year to further develop all areas of our socialist cultural construction.

The state will increase expenditure for (?science activities) by 4 percent and education by 2 percent compared to last year so as to arrange better conditions for educational organizations intensifying scientific research and improving the quality of education in conformity with the demand of developing realities.

At the same time, the state will also increase expenditure for culture, public health, and sports to advance the socialist national culture and art, to strengthen medical service for the people, and to implement the policy of popularizing sports so that working people's health can improve.

The government of the republic will increase expenditure for its people-oriented policy this year so that various state benefits, such as free education, free medical care, the nurturing and indoctrination of children at state expense, socialist insurance, and socialist security, can be well granted to the people.

The government of the republic has provided a huge amount of educational aid and stipends every year for the development of democratic, national education for Korean children in Japan.

This year, too, the government of the republic will send a huge amount of educational aid and stipends to Korean children in Japan. This great, repeated benevolent care granted by our party and state under the respected and beloved leader's consideration will vigorously encourage the democratic national education of the General Association of Koreans Residents in Japan

and will greatly encourage patriotic activities of Korean compatriots in Japan who are devoting their all to achieving the fatherland's independent and peaceful reunification.

The government of the republic envisages 11.6 percent of the total state budgetary expenditure as defense appropriations this year to firmly deepen the country's defense capabilities in coping with the enemies' provocation maneuvers.

By thoroughly implementing the party's self-defensive military line, we will iron-tightly harden the military strength of the People's Army and the all-state- and all-people-oriented party system. Also, by advancing the beautiful virtue of unity between the Army and the people, we will firmly make every preparation to cope with any unexpected situation on our own initiative [chudongjoguro].

This year's state budget submitted to the Supreme People's Assembly for deliberation is a chuche-based solid budget that guarantees financial support for the huge tasks of economic construction presented by the party, with our own financial resources on the firm foundation of the self-reliant socialist economy. It also a people-oriented, revolutionary budget that will improve the people's material and cultural living conditions, strengthen the country's might, and enhance the superiority of socialism of our own style. [applause]

Comrade deputies:

Successfully executing this year's state budget is an honorable task to add luster to the popular masses-oriented socialism of our country by making a new change and a greater victory in socialist construction.

The great leader Comrade Kim Il-song taught: Upholding the party's militant slogans, all functionaries, party members, and working people should continue to innovate and advance in the spirit of Chollima plus the nineties' speed, so that they can make the new year 1994 a historic changeover in the revolution and construction in our country.

In order to successfully execute this year's state budget while implementing the party's revolutionary economic strategies, all domains and units of the national economy should vigorously carry out the struggle for increased production and economization as a mass movement.

To vigorously carry out the struggle for the maximum increased production and economy is an important principle to be firmly adhered to in the whole course of socialist economic construction. To do so is also an important task to demonstrate the substantial superiority of our country's socialism and is a sublime duty of all the working people who are masters of the country and the society.

Intensifying the produce-more and save-more campaign is a basic way to vigorously push ahead with economic construction under the present situation. It is a decisive

guarantee for increasing the revenue sources in conformity with the socialist state budget's people-oriented nature and for successfully executing this year's budget. The functionaries and working people of all the sectors and units of the people's economy should place themselves into general mobilization, according to our party's call, with high revolutionary self-awareness and with an attitude befitting masters, and wage an all-people struggle to produce and save to the maximum degree.

The functionaries and all the working people at plants and enterprises of all sectors of the people's economy should exert high creative wisdom and positive attitude, find all sorts of production reserve and potential, operate all the facilities at full capacity, and wage a vigorous struggle to increase production to the maximum degree.

All sectors and units should wage an active struggle to save as much as possible fuel, energy, and various kinds of raw materials and facilities and to mobilize all sorts of reserves. At the same time, they should highly exert such an attitude befitting masters as producing more with available materials and facilities and managing the state's economic life assiduously and methodically.

The best wisdom in producing more and saving more at the present time lies in vigorously conducting the technological innovation campaign. All sectors of the people's economy should have the scientists, technicians, and producing masses give full play to their talents and creativity and wage a vigorous campaign of mass technological innovation, thus developing new technology and apply advanced technology actively to the production.

To successfully execute this year's state budget, we should properly implement the independent economic accounting system [tongnip chaesanje] in conformity with the demand of the great Taean work system, intensify the local budgetary system [chibang yesanje], and further improve and intensify the financial management work. To properly implement the independent economic accounting system in conformity with the Taean work system is our party's consistent policy. It is also an important requisite to improving and intensifying managerial activities and financial management.

The independent economic accounting system is a planned and rational managerial and operational method of the socialist state-run enterprises in which the plants and enterprises make both ends meet and give benefit to the state while engaging in managerial activities with relative managerial independence under the state's central guidance. All the plants and enterprises should work more scrupulously to properly implement the independent economic accounting system in conformity with the demand of the Taean work system in order to have the working people give full play to their political self-awareness, revolutionary enthusiasm, and collectivism. In so doing, they should rationalize their production and managerial activities, making both ends meet and increasing profit, so that they can give greater profit to the state.

The local budgetary system which the great leader founded is a new-type budgetary system of our-style socialism which makes it possible to manage the overall economic life of both local area and the state well by enhancing the local area's responsibility and creativity while firmly ensuring the state's central guidance. The local budgetary system has displayed great vitality in the management of the state's economic life over the last 20 years. Giving full play to the superiority of the local budgetary system, all the local areas today are increasing the local budget revenue every year and turning over much funds to the state after smoothly appropriating the funds necessary for the development of the local area's economy and culture and for the local area's economic life.

The basic unit of the local budgetary system is county. In order to develop the local budgetary system, we should thoroughly implement our party's consistent policy to enhance the function and role of the county—the base of the local area's economic and cultural development. All counties should make exceptional efforts to develop agriculture and local industry in conformity with the party's policy and the county's own special characteristic. At the same time, they should carry out good work of earning foreign currency and actively conduct service activities in order to earn more money, so that they can keep their local area in better shape and further enhance the people's standard of living.

Intensifying the system of daily summing up production and finance put forth by our party is an urgent demand to improve and reinforce financial management, as well as production management, by having the producing masses give full play to their revolutionary enthusiasm and creative activity.

Plants and enterprises of all sectors of the people's economy should more properly organize production and finance management by further strengthening the summing system of production and finance and by organizing and proceeding the system in a normal and orderly manner.

In order to improve finance management and correctly execute the national budget, the role of finance management organizations should be enhanced. The finance management organizations should thoroughly establish the principle of the unitary management of the nation's finance and the principle of planned agreement, utilize funds in a well-planned manner in accordance with the national financial plan, strictly follow the financial regulation, and strengthen financial control to make sure no national funds are wasted.

Organizing economic organizational work and production command and making a new turn in the business ethos of functionaries are fundamental methods for thoroughly implementing our party's economic strategy and executing our national budget in a phased manner.

Functionaries should conduct economic operations for implementing the economic strategies and policy presented by the party and properly carry out planning work and material supply work in conformity with the demands of new economic strategies, and establish strongly disciplined regulations of economic works.

With a high spirit of revolution, all economic guidance functionaries should work in a militant and revolutionary manner filled with confidence and optimism, and volunteer to open a breakthrough in difficult and tough works.

All functionaries should ceaselessly make themselves revolutionary upholding the great leader's philosophy of taking the people as heaven and our party's slogan of serving the people, and should become true people's servants who always involve themselves with the masses, share joy and sorrow with them, and dedicate their all for the people.

To achieve brilliant victory in the combat of this year's economic construction, the revolutionary spirit of self-reliance and fortitude should be highly displayed. Self-reliance is the traditional revolutionary spirit of our party which has always won in the long and arduous revolutionary struggles, the party's revolutionary slogan which should be upheld more than ever in today's situation, and a victorious banner which firmly guarantees the result of this year's combat.

All functionaries and working people should vigorously advance with the same struggle spirit, which effected the Chollima upsurge amid postwar dust and dirts with the strong spirit of self-reliance that filled the Paektu secret camp, so that another revolutionary great upsurge may be effected in all forces of this year's socialist construction.

Strengthening our revolutionary rank's single-minded unity upholding our party's leadership is a decisive guarantee for the victory of this year's advancement.

Our party is the heart of our single-heartedly united society, the party's leadership is the lifeline of the socialist cause. It is our people's unequaled desire and honor to carry out the sacred revolutionary cause while following the great leadership of the party.

All functionaries and working people should uphold our party's leadership, be endlessly faithful to the party's cause, and thoroughly implement our party's line and policy in all domains and sectors.

We should defend the single-hearted unity of the party and our revolutionary ranks as if we were the rulers, safeguard our party with our lives, and achieve a new brilliant victory in this year combat with the might of single-hearted unity.

Our people, who are following the leadership of the great leader and the great party and vigorously fighting on with revolutionary optimism and confidence, are ever-victorious and indomitable. [applause]

Let us all firmly unite around the party central committee headed by the respected and beloved Comrade Kim Il-song and vigorously fight on for the victory of chuche revolutionary cause and socialist cause. [applause]

Chairman's Address Closes SPA Session

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[“Closing Address” by Yang Hyong-sop, chairman of the Supreme People’s Assembly, SPA, at the conclusion of the seventh session of the Ninth SPA at Mansudae Assembly Hall in Pyongyang on 8 April—recorded]

[Text] Comrade deputies:

The seventh session of the Ninth Supreme People’s Assembly [SPA] held amid the great interest of all people across the country concludes its work after successfully discussing the items on the agenda with the active participation of comrade deputies.

The current SPA session discussed the issue on successfully fulfilling the tasks of socialist economic construction in the period of adjustment set forth by the Workers Party of Korea [WPK] and adopted appropriate decisions. It also summed up the execution of last year’s state budget and deliberated and decided on this year’s state budget.

The current SPA session also deliberated and approved the Law on Protecting Cultural Relics, the Law on Lawyers, and the revised and replenished Joint-Venture Law adopted by the SPA Standing Committee during the recess of the SPA.

The discussions on the issue on successfully fulfilling the tasks of socialist economic construction in the period of adjustment set forth by the WPK as the SPA primary agenda item and the adoption of appropriate decisions will further encourage the revolutionary zeal of our people who are accelerating the general onward march to create a new upsurge in the revolution and construction, upholding the wise leadership of the party and the leader, and will serve as an important momentum in vigorously organizing and mobilizing them to implement the imminent economic tasks in the period of adjustment. [applause]

In the current SPA session, the State Administration Council [SAC] gave the great leader its pledge of loyalty to implement the party’s revolutionary economic strategies. Also, responsible functionaries in charge of major fronts in the period of adjustment and deputies of sectors concerned made a firm resolution to fulfill their heavy and honorable tasks without fail. This will further enhance the responsibility and role of administrative and economic organizations, including the SAC, and of functionaries in national economic activities and will

effect a great change in our people’s worthwhile struggle to fulfill the imminent economic tasks in the period of adjustment. [applause]

The 1994 state budget adopted at the current SPA session is a concrete budget based on the solid socialist independent economic foundation that ensures finance required for fulfilling the tasks of socialist economic construction in the first year of the adjustment period set forth by the WPK with our own financial resources. It is also a dynamic and people-oriented budget that is correctly formulated so as to elevate the people’s material and cultural living standard, to strengthen the country’s might, and to further advance the superiority of the popular masses-oriented socialism of our own style. [applause]

By deliberating and approving the Law on Protecting Cultural Relics, the Law on Lawyers, and the Joint Venture Law adopted by the SPA Standing Committee during the recess of the SPA, the current SPA session has provided a firm legal guarantee for well protecting, properly managing, and correctly inheriting and developing our nation’s excellent cultural legacy through the embodiment of our party’s chuche-based policy on the nation’s cultural legacy, for displaying the superiority of the legal system in socialism of our own style, and for defending and ensuring the country’s economic and technological development and its economic interests. [applause]

The whole course of the current SPA session’s successful discussions on the agenda items clearly demonstrated the superiority and vitality of our country’s socialist system, which has been further consolidated and developed as days go by, and under which the imperialists’ and reactionaries’ antirepublic maneuvers becoming more vicious have been smashed sternly under the wise leadership of the WPK headed by the great leader Comrade Kim Il-song. It also vigorously demonstrated our people’s firm faith and invincible will to resolutely protect, defend, and brilliantly consummate the chuche socialist cause to the end with the might of single-hearted unity around the party and the leader. [applause]

I now declare the closing of the seventh session of the Ninth SPA, expressing my firm belief that all comrade deputies will excellently repay the party’s great confidence and expectations with their successful fulfillment of economic tasks assigned to each sector and unit for the adjustment period, at the front of the masses by greatly displaying the revolutionary spirit of self-reliance and fortitude, upholding the leadership of the party and the leader.

Choe Praises Kim Chong-il as Defense Head

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[Report by Choe Kwang, member of the Political Bureau of the Central Committee of the Workers Party of Korea and chief of staff of the Korean People’s Army (KPA), to

the central report meeting marking the first anniversary of the election of Kim Chong-il as chairman of the National Defense Committee held at the 8 February House of Culture in Pyongyang—live]

[Text] Comrades:

Today, we are observing the first anniversary of the election of the respected and beloved supreme commander Comrade Kim Chong-il as the chairman of the National Defense Committee under a militant atmosphere in which all the people across the country and People's Army officers and men are resolutely smashing [chitpusida] the vicious challenge by the imperialists and reactionaries and vigorously accelerating the general onward movement of the socialism of our own style, being single-heartedly united around the party and the leader [suryong].

Observing the meaningful day, our people and People's Army officers and men are filled with great pride and dignity of having the respected and beloved Comrade Kim Chong-il, who is an iron-willed military leader, at the head of the country's defense forces and the revolutionary Armed Forces. They are replete with the impregnable resolve to achieve the reunification of the fatherland and complete the chuche revolutionary cause to the end under the leadership of the comrade supreme commander.

The election of KPA [Korean People's Army] supreme commander Comrade Kim Chong-il as chairman of the DPRK National Defense Committee at the fifth session of the Ninth Supreme People's Assembly held in April last year was the realization of the unanimous aspiration and burning desire of our people and People's Army officers and men to have their leader at the head of the defense forces and follow him. [applause]

As everyone knows, whether or not the long-cherished desire of a sovereign state which builds socialism while repelling anti-revolutionary offensives by the imperialist aggressive forces and reactionaries is accomplished depends on the greatness of a leader [yongdoja]. History tells us that a country and nation with a great leader always prevail over both politics and defense, however those without a great leader [yongdoja] cannot defend independence and sovereignty, and, moreover, cannot complete its just revolutionary cause.

In light of this, the people link the name of a leader with the fate of a nation and that of revolution, and convinced in tomorrow's victory, considering it as their greatest fortune to have a great leader.

The dear leader Comrade Kim Chong-il—who has led the party, the state, and the revolutionary Armed Forces at the head from his early years—wisely led the historic cause of modelling the whole party and the entire Army of the whole society after the chuche idea. He thus accumulated immortal accomplishments which will shine forever in the history of the fatherland. [applause]

In particular, the achievements accumulated by the dear comrade leader on the road to strengthening and developing our revolutionary Armed Forces into a revolutionary Armed Forces of one-a-match-for-100 by firmly consolidating the country's defense power, are innumerable enormous.

Highly upholding the supreme commander Comrade Kim Chong-il, who accumulated great achievements in fulfilling the chuche socialist cause and (?overall) construction cause at the head of the self-reliant defense power, is another historical milestone in the people's security, firmly defending the revolutionary cause, and in victoriously advancing our revolution. [applause]

By upholding the respected and beloved Comrade Kim Chong-il, who is a great military commander, at the supreme head of the defense power, our people and the People's Army were able to firmly guarantee the work to further defend the chuche socialist system ever so strong and accelerate the completion of the chuche revolutionary cause at a new high stage. [applause]

The great leader Comrade Kim Il-song has taught: Comrade Kim Chong-il has an indomitable will and courage, and outstanding intelligence and commanding art as befits the supreme commander of the revolutionary Armed Forces. This guarantees the constant strengthening and development of our revolutionary Armed Forces and their ever-victorious advance.

The dear comrade leader is embodying at a lofty level the trait of an extraordinary military strategy and outstanding military commander who can lead our people and the People's Army to be ever victorious. The first mission of a military commander leading the military and people is to present a correct military ideology and theory to correctly elucidate the road in the construction of the main force of the revolution and in the victory in the revolutionary war. Here, the greatness of the military commander is concentratedly manifested.

Through his extraordinary wisdom and activities that were carried out without sleep and rest, which no one can follow, the dear comrade leader developed and enriched the chuche-oriented military ideology and theory that the great leader presented. Thus, he provided the most correct guiding principle in solving the military problems of our times.

The respected and beloved supreme commander Comrade Kim Chong-il formulated the military doctrine of the great leader as an integral one with chuche military idea, military theory, and military tactics as its keynote and has comprehensively developed it in depth, thus, brilliantly solving the urgent questions raised by military practice in the present times. [applause]

Because of this immortal achievement by the dear comrade leader, the chuche-oriented military ideology and theory were both in name and reality clearly proven as a new and unique military doctrine that is the most

scientific and revolutionary military doctrine based on the man-centered philosophical theory.

The respected and beloved supreme commander Comrade Kim Chong-il developed and enriched the chuche-oriented military ideology into a new doctrine and propositions. In particular, based on the theory of the revolutionary outlook on the leader, he presented a unique military construction ideology that the working-class revolutionary Army is in essence an army of the leader and army of the party. This truly has important significance in building, strengthening, and developing the working-class revolutionary Armed Forces into a revolutionary Armed Forces that truly serves the party, the leader, and cause of socialism.

The profound and multifaceted military ideologies and theories elucidated by the dear comrade leader are the most scientific and revolutionary military ideology and theory, all based on the chuche revolutionary theory. Therefore, it is being elucidated as an ever-victorious military (?valuable sword).

Saying that the new era has ushered in with the end of the Cold War era, the imperialists and the renegades of the revolution are babbling about the so-called new military doctrine.

In view of today's complicated situation, our people and People's Army are truly fortunate to possess the ever-victorious precious military sword which is running thoroughly with revolutionary spirit and scientific accuracy. [applause]

Amid all sorts of rampant wave of antirevolutionary opportunism, our revolutionary Armed Forces are firmly adhering to their revolutionary character of being chuche-type revolutionary Armed Forces, and staunchly defending the socialist cause under the banner of chuche military idea, without knowing about trivial deviation of difficulties.

With an outstanding and tested commanding art, the respected and beloved supreme commander Comrade Kim Chong-il has wisely led the whole party, all the people, and the entire Army to implement our party's line of self-reliant defense. In doing so, the defense capabilities of the nation have been consolidated rock firm in all aspects.

Powerful self-reliant national defense power is a military guarantee that defends the national sovereignty from the imperialists' aggression, and that enables us to build the socialism and communism triumphantly.

All-people defense system and powerful self-reliant national defense power—which firmly defends the sovereignty of the country and the nation by smashing any formidable imperialist enemy with our own power—are unthinkable without the excelled and tested leadership of the respected and beloved supreme commander Comrade Kim Chong-il. [applause]

The People's Army is the core of the self-reliant national defense power. The major work our party has always given top priority to is bringing up the People's Army as the ranks of loyalty who sacrifice their life for the party and the leader [suryong] and as an indomitable army which can smash any enemy.

The respected and beloved comrade supreme commander has set forth the program of army construction on modelling the entire Army after the chuche idea. By so doing, he has provided a firm guarantee whereby our revolutionary Armed Forces can be brought up as an indomitable army defeating any formidable imperialist enemy as the party's true army, a revolutionary army, endlessly loyal to the party and the leader [suryong].

Likewise, in conformity with the requirements of modelling the entire Army after the chuche idea, he has given definite precedence to the party's monolithic ideological system and the monolithic system of guidance in the military construction and every domain of military activities. He has put big emphasis on strengthening the work of educating the spirit of loyalty to the party and the leader [suryong] among the officers. In this way, he has firmly ensured the unitary of the leader's ideology and leadership in every work of the People's Army, and achieved the entire Army's single-hearted unity, and made the entire Army have the faith of loyalty to the extent they would sacrifice their life for the party and the leader.

The might of the revolutionary Army is a political, ideological might and this can only be highly demonstrated when it is connected with modern military techniques.

The respected and beloved comrade supreme commander has given decisive precedence to the work to firmly prepare the People's Army politically, ideologically while energetically organizing and leading the work to strengthen the People's Army militarily and technically.

Thanks to our party's energetic leadership, today our People's Army has grown in strength and developed into invincible revolutionary Armed Forces with all services and arms, powerful means of strike and defense and unique tactics of chuche, which are sufficient for any modern warfare.

The ever-victorious might of the People's Army lies in that the whole Army has one loyal heart to defend the party and the leader with death, closely united with one idea and one purpose, and are firmly prepared militarily and technically to defeat any formidable enemy. [applause]

One of the great military achievements of dear Comrade Kim Chong-il, who has further wisely led the chuche-based cause of the founding of the Army, is having so firmly consolidated our People's Army in political, ideological, military, and technological aspects. [applause]

In addition to strengthening the People's Army in all aspects, comrade dear leader brilliantly armed all the people and turned the entire country into a fortress, firmly set up an all-people and all-nation defense system in the entire country, built up a powerful self-reliant defense industry, and wisely led the huge work of resolutely coping with the enemies' new war provocative moves.

Today, the civilian Armed Forces, including the Red Worker-Peasant Militia and Red Youth Guards, are generally firmly consolidated, and the entire nation literally turned into an impregnable fortress.

And, because our own strong self-defensive national defense industry has been built, we have today come to have the capability of further improving the country's defense forces with our own strength if we made up our mind to do so.

Along with this, the tradition of the people-army unity is fully blooming on a new, higher level and the ideological and willful cohesion between the army and the people is further firmly consolidated.

The two troop reviews commemorating the 40th anniversary of the victory in fatherland liberation war and the 60th anniversary of the founding of the KPA, which left a record of a brilliant chapter of our revolution's chronicle, were active displays of the indomitable might of our self-reliant defense power with the People's Army as the core. This gave trust of victory to our people and the world's revolutionary people, and anxiety and fear to the enemies.

The proud reality, in which none of the opponents dare to intrude the self-reliant national defense power that has been built under the extraordinarily difficult condition of building socialism amid constant risk of the U.S. imperialists' aggression and war, is a brilliant fruition of the outstanding and tested leadership of the respected and beloved comrade supreme commander. [applause]

The greatness of a sagacious general is highlighted by the practice of leading the army and the people with peerless courage and outstanding wisdom to gain supremacy over the enemies' offensives, and of reliably defending the country's independence and the nation's dignity.

Our country is an arena of the most acute confrontation on earth between revolution and antirevolution, and socialism and capitalism, and dark and heavy clouds of war constantly float around the Korean peninsula. However, our people and the People's Army have smashed [chitpusida] every step of the enemies' antirevolutionary offensive and reliably defended the independence right of the country and the gains of revolution under the wise leadership of the party and the leader.

In confrontation with the enemies, dear Comrade Kim Chong-il, who wholly embodied the wisdom of a great sagacious general, has always gained supremacy over the

enemies with wonderful and brilliant strategies and tactics and put the exhausted enemies on the defensive.

In recent years, whenever the enemies conducted the Team Spirit war exercise, our country was laid in a situation of ultra-tension [choginjang] in a brink of war. Without the slightest hesitation and vacillation, our people and the People's Army fought to repulse them every time and made every step of the rascals' war exercises commotion stumble because they were led by the comrade supreme commander who has iron-clad will and peerless courage.

The truth is that when the leader of revolution is great and the military sagacious leader is extraordinary, the people and the army can display independent spirit hundreds and thousands times more and become mighty people and indomitably strong army, is proven by our people's eloquent revolutionary practices today.

The spirit of national independence, and revolution and militant trait of our people and the People's Army under the leadership of the supreme commander Comrade Kim Chong-il, who is an extraordinary sagacious general, are displayed today on an unprecedentedly lofty level.

Today, our people and the officers and men of the People's Army are fully blossoming the revolutionary army trait of fulfilling to the end the invincibility of jumping into water and fire if it is an order of the comrade supreme commander, and the virtue of army-people unity in which the army and the people are upholding the party through complete unity.

Only the great chuche idea—our party's revolutionary ideology—dominates in our revolutionary ranks, and in every hearts of our people and the officers and men of the People's Army, they are overflowing with the firm faith of sharing their fate with the respected and beloved comrade supreme commander. The trait of attaching great importance to the military in the whole society and the trait of faithfully learning the military affairs is overflowing, and the country has truly changed into an impregnable fortress. [applause]

Even under the condition in which the imperialists tried to commit aggressive maneuvers at any time at all to crush [apsal] the small countries through forcible measures and threat, our party and people were vigorously advancing the socialist cause, with the faith of victory, because we were provided with a truly strong defense capacity and an invincibly strong army.

Our country, which has a small territory and a small population, smashed [chitbusigo] all kinds of challenges of the imperialists and reactionaries and defended the nation's dignity. Therefore, all the victories achieved to advance the socialist cause are a great victory of the dear Comrade Kim Chong-il's, the great leader [yongdoja] of our party and people, iron-like faith and will, extraordinary strategy and tactic, and outstanding military strategy. [applause]

Through this significant meeting, filled with the utmost admiration and blazing loyalty, on behalf of all the people and the officers and men of the People's Army, I would like to give the greatest honor and warmest thanks to the dear Comrade Kim Chong-il, the chairman of the DPRK National Defense Commission and supreme commander of the KPA, who elucidated the dignity of the fatherland and nation through his extraordinary military ideology and refined leadership and always led our people and the People's Army toward the one road of victory and glory. [applause]

Comrades: Today, our people and all the officers and men of the People's Army are faced with the heavy and honorary task of further consolidating the country's defense capacity like an impregnable fortress and to achieve ahead of schedule the fatherland's independent reunification and the ultimate victory of the chuche revolutionary cause in accordance with the demand of the prevailing situation.

A tense situation in which a war may break out anytime prevails in our country at present because of the vicious antisocialist, antirepublic maneuvers by the U.S. imperialists and other international reactionary forces.

The U.S. imperialists, who had broken up [patan] the third round of DPRK-U.S. talks, had the UN Security Council release the president's statement, which makes unjustifiable [tangchiannun] demands on us, and are more openly maneuvering to crush [apsal] us.

Moreover, the U.S. imperialists are more frantically kicking up commotions for military pressure, while saying that they would resume the Team Spirit joint military exercise and that they would not hesitate to wage another Korean war.

In step with them, the puppet South Korean clique intends to stage the nuclear war exercise against us at all cost and babbles that it would offer punitive retaliation [ungjing pobok] against us and use this as an opportunity to achieve reunification if it is necessary.

The South Korean puppets put all the puppet armed forces on special alert and even made public a dangerous new plan to invade the North.

Teaming up with the U.S. imperialists and the South Korean puppets, the Japanese reactionaries, as well, got more deeply involved in the maneuvers to ignite a fuse to a new war on the southern Korean peninsula.

All facts show that the maneuvers by the U.S. imperialists and other reactionaries to isolate and crush [apsal] our Republic have reached their extreme and that, as a result, a war may break out on the Korean peninsula anytime.

However, any maneuver by the enemy cannot frighten our people and the People's Army, under the outstanding leadership of the great commander [yongjan].

If the bastards ignite a fuse to a war after all, our people and the People's Army, filled with a firm resolve to share the same destiny with the party, will resolutely tackle them head on and mercilessly sweep out [mujabihage ssuroborilgut] the enemy. [applause]

Responding to the use of force with force and dialogue with dialogue is our firm will and policy [himenun himuro taehwaenun taehwaro tappyonhanun kossi uriui hwakko pudonghan uijiimyo chongchaegimnida].

The U.S. imperialists and their lackeys must not miscalculate [osan] our firm will and policy and act with discretion after clearly seeing the trend of the times.

All the people and People's Army officers and men must vigorously wage the struggle to reliably defend the socialist fatherland and the revolutionary gains from the enemy's infringement [chimhae], build the country's defensive forces impregnable, and strengthen the People's Army into an invincible revolutionary army.

The most important problem in effecting a bigger upsurge in the socialist construction while securing the chuche revolutionary cause by force of arms is brilliantly inheriting and developing our revolution's tradition of single-hearted unity. [applause]

Single-hearted unity is the banner of victory and the primal basis of our revolution. Our single-hearted unity is the single-hearted unity which upholds the supreme commander Comrade Kim Chong-il at the center of its unity with faith and filial duty, and is the everlasting single-hearted unity which does not move an inch even under any raging storm in the world. [applause]

With strong faith that they will always win if there is the dear leader, all the people and People's Army officers and men must resolutely defend the party and the leader [suryong] by becoming a shield of single-hearted unity and faithfully upholding the party's monolithic leadership.

Firmly securing the chuche revolutionary cause by force of arms is the basic mission of the People's Army. The entire officers and men of the People's Army must make loyalty to the respected and beloved comrade supreme commander their faith, conscience, morality, and life by thoroughly arming themselves with the chuche idea. They must persistently hold fast to the party's line on modelling the entire Army after the chuche idea. Thus, they should strengthen the political, ideological might of the People's Army in every way.

The officers of the People's Army must make the entire ranks overflowing with the revolutionary ethos of going through fire and water to carry through the comrade supreme commander's order and direction to the end and carrying out discipline, life, and learning the way the anti-Japanese guerrilla army did. They should also make the entire ranks overflowing with the traditional virtue of the unity between the officers and men, and the unity between the party and society.

Furthermore, the officers of the People's Army must set up steel-like regulations inside the entire Army and prepare soldiers as one-a-match-for-100 fighters who are possessed of invulnerable power, military techniques, markermanship worthy of a crack shot, and adroit military strategy. They must ceaselessly modernize the armed equipments of the People's Army and further consolidate the military posts as an impregnable fortresses.

Defending the socialist fatherland is an all-popular work. It is firm will of our people to vigorously push ahead with the socialist construction and the defense of the nation, holding a gun on one hand and a sickle and a hammer on another. [applause]

Today's acute situation, in which provocative moves for a new war are endlessly perpetrated by the U.S. imperialists and the puppet clique, calls on us to all the more firmly consolidate all-people, all-state defense system by thoroughly implementing our party's line on arming all the people and turning the entire country into a fortress.

Our party members and workers must strongly arm themselves with our party's chuche-oriented view on war [chonjaenggwanjom] and firmly establish in the entire society a trait of attaching importance to military affairs and sincerely learning military affairs. By so doing, they must make thorough political and ideological, military, and material preparations against any unanticipated event on our own initiative [buruiui satae edo chudongjoguro taechohalssu innun chongchisasangjok chunbi kunsajok chunbi mulchilchok chunbirul pintumopsi kachuoya hagessumnida].

In particular, all the Worker-Peasant Red Guards and the Young Red Guards must cherish deep in their hearts great pride in being revolutionary warriors of the great general, strengthen combat and political training and, thus, defend their work places, villages, and schools with vigilance.

The traditional beautiful trait of Army-people unity which is highly maintained today in our society is an expression of the noble idea and spirit that all people and the entire Army share the life and death and destiny with the comrade supreme commander under any stern trial.

All people and officers and men of the People's Army must vigorously carry out the our guardpost is our village, our village is our guardpost movement and, thus, ensure that a beautiful trait be further fostered throughout the country in which the Army positively helps the people and in which the people sincerely assist the Army. By so doing, the Army and people must become one in flesh and spirit in the same trenches, resolutely punish the aggressors and, thus, again demonstrate the dignity and honor of the heroic Korea if the enemy dares to provoke a new war. [applause]

The revolutionary economic strategy presented by our party is a banner of struggle to strengthen the overall

national power and more highly display the superiority of popular masses-centered socialism of our own style. [applause]

To thoroughly implement the party's revolutionary economic strategy, we must highly demonstrate the revolutionary spirit of self-reliance and arduous struggle. All party members and workers must score great upsurges in production and construction in hearty response to the party's militant slogan on vigorously accelerating the general onward socialist march with the revolutionary spirit of self-reliance and arduous struggle.

The fatherland's reunification is the unanimous earnest desire of all Korean people and achieving the fatherland's reunification in the nineties without fail is our party's firm will. [applause]

All people and officers and men of the People's Army must possess the belief that achieving the fatherland's reunification in the nineties is a certainty [hwak-chongjok] because there is the dear leader Comrade Kim Chong-il, resolutely crush [chippussida] the maneuvers by the antireunification forces, and more staunchly fight to hasten the fatherland's reunification. [applause]

All Korean compatriots in the North and South and overseas must achieve strong unity under the banner of the 10-point program of great unity of the entire nation presented by the great leader and more boldly wage the struggle to prevent the danger of a new war and carry out the historic cause of the fatherland's reunification.

A revolutionary road is far and turbulent, and our future road may be fraught with trials and adversities. However, we are not afraid of any trial. Our people and People's Army are filled with the firm belief that they, just like they did in the past, will be ever-victorious in the future, as well, because they uphold respected and beloved Comrade Kim Chong-il at the head of the party and revolutionary armed forces [[kyongae hanun kim chong-il tongjirul tanggwa hyongmyongmuryogui suwie mosigoitkie].

No matter how frantically the imperialists and reactionaries try to isolate and crush [korip apsal] our Republic, all progressive people of the world who love justice and peace will be on our side, and our socialism, the chuche-oriented socialism, which defeated all trials in history, will win victory after victory. [applause]

For socialism to win victory and for imperialism to be ruined is the law of the development of history. Let us all be single-heartedly united around respected and beloved Supreme Commander Comrade Kim Chong-il and more vigorously fight for a victory in the socialist cause, the fatherland's independent reunification, and the ultimate completion of the chuche revolutionary cause. [applause]

Long live the dear leader Comrade Kim Chong-il, chairman of the DPRK National Defense Committee and supreme commander of the KPA! [applause]

Moscow Meeting Supports 10-Point Program SK1104035494

[Editorial Report] Pyongyang Korean Central Broadcasting Network in Korean at 0900 GMT on 10 April carries a 3-minute report on a meeting marking the first anniversary of Kim Il-song's publication of the 10-point program of great unity of the whole nation for national reunification held in Moscow on 6 April.

The report says that the meeting was attended by chairman and vice chairman of the Russian Association of Friendship and Cultural Cooperation with the DPRK, chairman of the Lenin and Fatherland Association, official of the Graduates Association of Moscow International Affairs College, and other figures concerned.

The report also says that "the meeting was attended by DPRK Ambassador to Russia Son Song-pil and embassy staff members."

The report states that chairman of the Russian Association of Friendship and Cultural Cooperation with the DPRK, secretary of the Graduates Association of Moscow International Affairs College, and other figures concerned made speeches at the meeting.

The report also says that the meeting decided to wage a signature campaign for supporting Korea's reunification and that a committee for promotion of signature campaign supporting the 10-point program of great unity was formed.

The report cites that the meeting adopted a joint statement supporting the 10-program of great unity for the whole nation.

South Korea

Changes in U.S. Policy on Nuclear Issue Viewed SK0904083094 Seoul CHOSON ILBO in Korean 9 Apr 94 p 3

[Editorial: "What On Earth Does the Remark on 'North Korea's Possession of One or Two Nuclear Weapons' Mean?"]

[Text] We have been concerned about the government's inconsistent countermeasures in coping with the North Korean nuclear issue, and now we have come to harbor the suspicion that the United States has made some changes in its policy on the nuclear issue. We have repeatedly heard through authoritative media the report that, as the means to guarantee the nuclear transparency of North Korea faced the uppermost practical limit, the United States has decided to seek a countermeasure, with which it may ignore the possibility that North Korea currently possesses nuclear weapons. Some of the U.S. conservatives even suggested that the ROK and other countries be allowed small-scale nuclear armaments as a countermove against the possible possession of nuclear weapons by North Korea.

Last year, U.S. President Bill Clinton warned that "I will not allow North Korea to develop nuclear weapons." U.S. Defense Secretary Perry, however, lately said that "What we can do now is to deter North Korea from producing any more nuclear weapons." The phrase "any more" in Secretary Perry's remark is noteworthy. It is natural for us to be concerned about the possibility of very serious changes in the situation since our aim is the denuclearization of the Korean peninsula. If the situation is actually changing seriously, we must not be puzzled now with the phrase that "there is no clear evidence to prove that North Korea possesses nuclear weapons."

A more difficult task has been added to our policy which is solely based on the assumption of North Korea's nuclear transparency. Even if North Korea had one or two nuclear weapons, this could not be a threat to the United States. The United States would only have an additional burden in the international nuclear management. However, we are in a different situation. We are the direct object of North Korea's nuclear threat. It is clear that our military position would be weakened. In addition, if North Korea uses nuclear weapons as a means of force, not as a trump card, we would unavoidably be driven into a defensive position in South-North relations and in other international arenas.

It would be too late if we tried to seek a countermeasure when the United States comes to have interest only in "any more" production of nuclear weapons by North Korea after admitting it possesses nuclear weapons. We still hope for the denuclearization of the Korean peninsula, but we cannot adhere to it even in case the hope is stifled by North Korea. We should return to the "no confirm, no deny" policy toward the nuclear problem or further strengthen the international cooperation system. In any case, we should assume a peace-guaranteeing policy.

With regard to the North Korean nuclear issue, the government seems to make considerable efforts only to relieve the people's anxiety. The government makes a wrong assumption, however, if it believes that the people are reassured by the government authorities' remarks that "there is no clear evidence that proves the North's nuclear weapons development" and that "there has been no sign of the North's military provocation." The level of the people's security consciousness is far beyond the government's expectation. When the government takes a security policy that the people think is reliable, it will overcome trials caused by the North Korean nuclear issue, encouraged by the people's confidence, without making public relations efforts.

General Accounting Office Reports on DPRK SK1104055994 Seoul YONHAP in English 0524 GMT 11 Apr 94

[("Hawks in U.S. Take Upperhand Touting Military Option in Korea"—YONHAP headline]

[Text] Washington, April 10 (YONHAP)—As U.S. Secretary of Defense William Perry prepares to visit South Korea, attention is being focused on stepped-up efforts by "the hawks" to picture the North Korean nuclear issue as a military crisis on the peninsula.

One sign underscoring the move is a special report to be submitted Monday to Congress by its research arm, the General Accounting Office [GAO], on military options available to Washington and Seoul in the nuclear dispute with Pyongyang.

Another indication is an unconfirmed report that the Pentagon was trying to secure military manpower that could be deployed to the Korean peninsula in case of another war.

In addition, rumor had it that a U.S. intelligence support team might be formed in South Korea, as hinted earlier by Central Intelligence Agency (CIA) director James Woolsey, and that a state-of-the-art ground facility capable of analyzing intelligence collected by satellite could be set up here soon.

Against this backdrop, American analysts specializing in Korean affairs say there are two main aspects to the situation.

The hard-liners (the hawks) in Washington want to prepare for a military solution to the Korean nuclear row if the UN Security Council fails to break the impasse.

At the same time, they wish to sway American public opinion in favor of the military option, according to the analysts.

The GAO report carries the caveat that it was only spotlighting possible solution of the nuclear issue through options that could be exercised by Washington and Seoul—and by Pyongyang.

The report offers options that include the use of nuclear weapons.

There is the shocking possibility, it says, that North Korea could explode one or two nuclear bombs hidden in tunnels near the Demilitarized Zone (DMZ) and allow radioactive particles to drift Southward.

This horrifying possibility does not end there.

As a result of the nuclear explosions in the DMZ, South Korean and U.S. troops would be dealt a crippling blow as the blasts knocked out ultra-modern military equipment. Taking advantage of this initial blow, North Korea would send its powerful conventional forces sweeping down into the South.

The accuracy of the GAO report's military logistics remains unclear, but it has nevertheless drawn keen interest because the GAO is recognized throughout the country as authoritative, independent and trustworthy.

Informed sources also note that the GAO report was issued as Perry, who is regarded as one of the hawks, was preparing to visit Seoul.

The report may have been meant not only for domestic consumption but also for leaders in South Korea and Japan, they say.

Further raising eyebrows in Washington was a proposal on the possible withdrawal of U.S. troops from South Korea.

Quoting the Center for Defense Intelligence (CDI), a private analysis organization, the GAO report pointed to a plan that calls for the complete withdrawal of U.S. troops from South Korea if the North abandons its nuclear program.

The possibility of a U.S. troop withdrawal is obviously being raised in light of concern for the safety of American soldiers in Korea. It also indicates that if war breaks out on the Korean peninsula, the U.S. military could concentrate on air and naval support.

In other words, America is considering changing the role of its troops in South Korea in a new security arrangement between Washington and Seoul, analysts say.

In any event, a recent series of moves by American hard-liners is aimed at strengthening and sharpening U.S. public opinion on the North Korean nuclear issue.

Various opinion polls indicate that a majority of Americans oppose U.S. intervention in Korea if another war breaks out on the peninsula.

The hawks obviously feel they must change this attitude—and soon—because North Korea is not listening to the White House, they said.

Editorial Views U.S. Congress Report on DPRK
SK1104053294 Seoul TONG-A ILBO in Korean 11 Apr 94 p 3

[Editorial: "And Now Even the Withdrawal of U.S. Forces From the ROK Is Raised"]

[Text] The U.S. Congress released a report stating that the United States may consider withdrawing U.S. Forces stationed in the ROK under the condition that North Korea completely give up nuclear development. The report is based on an analysis of choices of military measures in case North Korea does not give up nuclear development to the last.

U.S. Congressional reports do not necessarily reflect a U.S. Administration's policies. And there has been no sign that the U.S. Administration is considering such a scenario. However, the United States is a country moved by public opinion. U.S. Congressional reports are reference materials for U.S. lawmakers' parliamentary activities. In this regard, the report is noteworthy. It comes as a shock that this U.S. Congressional report has turned to

the negotiation strategy of trading the withdrawal of U.S. Forces from the ROK for North Korea's nuclear development.

The withdrawal of U.S. Forces from the ROK is the last choice of negotiation strategies. It is natural to doubt if it would be actually realized. It is notable that the withdrawal of U.S. Forces from the ROK was raised after the snag of the U.S. plan to deploy Patriot missiles on its own expenses with an aim to reinforce the U.S. Forces in the ROK in preparation for a possible contingency. It has been learned that our government's odd action of making a military defensive weapon as a diplomatic weapon put the U.S. Forces in the ROK in an awkward situation.

Another noteworthy fact is the U.S. military authorities' information analysis that North Korea already has one or two nuclear bombs. Quoting the analysis, the U.S. Congressional report believes that North Korea possesses one or two primitive nuclear bombs and is able to transport them by truck. This is different from our government's opinion which denies the possibility on every occasion. It is puzzling on what basis the government has come to this assertion and to what extent should we believe it.

Let us calmly reanalyze North Korea's intention to develop nuclear weapons. There could be many different opinions but it is safe to take the worst possible situation. That is North Korea's long-desired political goal of the withdrawal of U.S. Forces from the ROK is achieved. As long as North Korea believes the nuclear threat could effectively block the involvement of the U.S. Forces in the ROK in the contingency, it will never be satisfied with any carrot other than a condition that could achieve the goal. In this regard, the U.S. Congressional report makes us uncomfortable.

Shall we refute that this creates a crisis on the Korean peninsula? Shall we repeat the optimistic observation that North Korea does not possess nuclear weapons? The government should first of all do its best in clearing up distrust and suspicion that the government is doing nothing.

Han Sung-chu Plans To Meet With IAEA Chief

SK0804012894 Seoul YONHAP in English 0125 GMT 8 Apr 94

[Text] Seoul, April 8 (YONHAP)—Foreign Minister Han Sung-chu will meet the chief of the International Atomic Energy Agency (IAEA) in Tokyo next week to discuss the North Korean nuclear situation, a Ministry official said Friday.

Han pushed up his departure to Europe to meet IAEA Director-General Hans Blix on April 12 in Tokyo, where he plans to attend a seminar on the nuclear industry.

In accordance with the U.N. Security Council's presidential statement last week calling for additional inspections

in North Korea, the IAEA is expected to send a message to Pyongyang soon proposing talks on arranging the checks.

Han and Blix will discuss the practical "deadline" for conducting the additional inspections and providing the right conditions so that North Korea accepts full nuclear checks, the official said.

To Discuss Assessment of DPRK

SK1104060294 Seoul YONHAP in English 0541 GMT 11 Apr 94

[Text] Seoul, April 11 (YONHAP)—Foreign Minister Han Sung-chu leaves for Russia Tuesday to discuss the North Korean nuclear issue and to prepare for President Kim Jong-sam's visit to Moscow this summer.

His itinerary includes a meeting with Hans Blix, chief of the International Atomic Energy Agency (IAEA), in Tokyo where they will discuss the agency's assessment of North Korea's nuclear capability after the latest inspection and future measures to ensure safeguards.

After his stopover in Japan, the foreign minister will visit Moscow April 13-15 to meet his Russian counterpart Andrey Kozyrev and other government leaders.

He will explain the results of President Kim's trips to Japan and China last month, consult on the Korean nuclear crisis and set down details for Kim's Moscow visit, expected to come in June.

Han then heads to London where he will stay until April 16. He plans to meet his British counterpart Douglas Hurd and attend the South Korea-Britain Forum, delivering a speech on bilateral relations.

He will stop off in Brussels April 16-17 for a conference of South Korean mission chiefs stationed in Europe before returning April 18.

The trip will obviously highlight coordination on the nuclear problem that entered a new phase last month with the UN Security Council's presidential statement urging Pyongyang to allow additional outside inspections.

Moscow has recently tried to play a more visible role in the matter, proposing an eight-party conference to solve the problem among regional powers, the United Nations and the IAEA.

DLP Urges Reexamination of DPRK Policy

SK1104051094 Seoul YONHAP in English 0456 GMT 11 Apr 94

[Text] Seoul, April 11 (YONHAP)—The ruling Democratic Liberal Party (DLP) repeatedly urged the government Monday to re-examine its policy on the North Korean nuclear dispute, criticized recently for inconsistency.

In a general policy-makers' meeting, the DLP's current affairs analysis committee pointed out that the party and government should heed recent U.S. press reports and study measures to cope with developments in the nuclear matter.

The party and government should note a report by the newsweekly TIME, which said North Korea already possesses one or two nuclear weapons, and a U.S. congressional report predicting a possible withdrawal of American forces from South Korea in return for North Korea abandoning its nuclear ambitions, the committee said.

DPRK Said Counting on PRC Support at UN

SK1104103294 Seoul KBS-1 Radio Network in Korean
1011 GMT 11 Apr 94

[Text] The North Korean Embassy in Beijing claimed on 11 April that the North Korean authorities firmly believe that the Chinese Government will unchangeably support North Korea at the United Nations.

Councillor (Choe Han-chan) of the North Korean Embassy in Beijing said on 11 April that there is no tense situation or uncomfortable relations at all between North Korea and China and that China is North Korea's neighbor as usual. He made efforts to show that friendly relations between North Korea and China are close.

DPRK Reportedly Increases PRC Border Security

SK1104100994 Seoul KBS-1 Radio Network in Korean
0925 GMT 11 Apr 94

[Text] It was learned that North Korea has greatly strengthened security at the North Korean-China border. It was learned that North Korea took this action because the number of North Korean residents fleeing the hardships of life is increasing and because influence from the capitalist ideology is penetrating through the border.

It was learned that the order to strengthen security in this region was made by Kim Chong-il. Kim Chong-il has ordered strengthening of security on the border over four times since 1989, when the East European communist bloc countries collapsed, to 1993.

PRC Political Conference Deputy Head Arrives

SK1004075894 Seoul YONHAP in English 0752 GMT
10 Apr 94

[Text] Seoul, April 10 (YONHAP)—Wu Xueqian, vice chairman of the Chinese People's Political Consultative Conference, flew into Seoul Sunday afternoon for an official visit at the invitation of Foreign Minister Han Sung-chu.

On arrival at Kimpo Airport, Wu said he was visiting South Korea to promote friendship and expand exchanges and cooperation between the two countries. "I

am confident that South Korea-China friendly cooperative relations based on a five-point principle for peaceful co-existence is a common wish of the two countries and will also be conducive to both countries' economic prosperity," Wu said.

During his eight-day stay in Seoul, the Chinese official will pay a courtesy call on President Kim Yong-sam and meet with government leaders to exchange opinions on matters of common interest. He will also confer with National Assembly Speaker Yi Man-sop and ruling party leaders to discuss ways to promote parliamentary exchanges between Korea and China.

Insists Influence on DPRK Limited

SK1104055194 Seoul YONHAP in English 0534 GMT
11 Apr 94

[Text] Seoul, April 11 (YONHAP)—South Korean Foreign Minister Han Sung-chu asked China Monday to persuade North Korea that the nuclear card will not work to its benefit. Talking with Wu Xueqian, vice chairman of the Chinese People's Political Consultative Conference, Han praised Beijing's role in trying to defuse the North Korean nuclear crisis. He asked Beijing to persuade Pyongyang that nuclear development will not succeed and to bring its ally into the international fold, ministry spokesman Chang Ki-ho said after the 40-minute meeting.

Former Foreign Minister and Deputy Premier Wu, saying his country had tried to help before and would continue its efforts, nevertheless explained that Beijing's scope of influence was limited. But he promised to urge North Korea to work for peace and stability on the Korean peninsula, the spokesman said.

Wu came to Seoul Sunday on an eight-day visit at Han's invitation.

He predicted improvement in inter-Korean relations and urged persuasion through patient dialogue, Chang said.

Says Pressure May Worsen Situation

SK1104095394 Seoul YONHAP in English 0947 GMT
11 Apr 94

[Text] Seoul, April 11 (YONHAP)—A visiting senior Chinese official said on Monday that China does not know the correct extent of North Korea's nuclear development.

Wu Xueqian, vice chairman of the Chinese People's Political Consultative Conference, said China had talked with North Korea over the nuclear question.

"But, North Korea listened to us some times, and at some other times they did not," Wu said.

During his call on President Kim Yong-sam, the Chinese official said that denuclearization ought to be realized on the Korean peninsula.

He was quick to add, however, that if pressures were applied to North Korea to this end, it is prone to aggravate the situation.

"I am sure that if South Korea promotes its policies toward North Korea with patience, denuclearization would be realized some time," he said.

During the meeting, President Kim said that if North Korea develops nuclear arms, it would be a misfortune not only for peace in Northeast Asia and the world but also for North Korea itself.

If North Korea returns to dialogue with the South in a sincere manner, South Korea would furnish economic support to North Korea and help them improve relations with the United States and Japan, President Kim said.

Wu flew into Seoul Sunday for an eight-day official visit at the invitation of Foreign Minister Han Sung-chu.

DPRK, Iran Reportedly Agree on Missile Plant

SK1104145494 Seoul KBS-1 Radio Network in Korean
1400 GMT 11 Apr 94

[Report by correspondent Yu Ki-yun from Tokyo]

[Text] Japan's Fuji Television Broadcast reported on 11 April that North Korea and Iran agreed to establish a plant to produce NODONG No. 1 missiles in Iran. Such a fact was revealed in an interview with (Paul Beaver), a military commentator for JANE'S, while appearing in a feature program entitled "Areas of Dispute in the World." He said that this project is being promoted secretly under the password (Ronda-68).

When considering the level of the North Korean military force, Paul Beaver analyzed that North Korea has the ability to attack Seoul within 24 hours. He claimed that a response to the enemy by the United States through an immediate military intervention is inevitable for security on the Korean peninsula.

DPRK Reportedly Supplied Ammunition to Cambodia

SK1104013494 Seoul YONHAP in English 0126 GMT
11 Apr 94

[Text] Tokyo, April 11 (YONHAP)—North Korea has given troop transport vehicles and ammunition to the Cambodian Army, a Japanese newspaper reported from Phnom Penh on Sunday.

With North Korea's support, last month the Cambodian Army was able to capture Pailin, the "capital" of Pol Pot's Khmer Rouge guerrillas, the SANKEI SHIMBUN said.

Pyongyang supplied the materiel free of charge to maintain friendly relations with Southeast Asian nations in a bid to avoid international isolation resulting from suspicions over its nuclear program, the newspaper quoted a Cambodian Army official as saying.

The North Koreans sent six troop transport vehicles and scores of tons of field guns, mortars, rifles and ammunition by air to Cambodia and plan to supply additional ammunition in April, according to the official.

Making use of the North Korean weapons, the Cambodian Army staged a fierce attack on the rebels and succeeded in driving them out of Pailin on March 21, the official said.

Cambodia's King Norodom Sihanouk and North Korean President Kim Il-song have maintained a close relationship and Sihanouk visits Pyongyang every year, according to the official.

Granting Loggers Asylum Might 'Offend' DPRK

SK0904060794 Seoul YONHAP in English 0439 GMT 9 Apr 94

[Text] Seoul, April 9 (YONHAP)—Despite Moscow's willingness to allow the resettlement in South Korea of North Koreans who escaped from logging yards in Siberia, the chances of their coming to Seoul soon remain slim.

"If we allow them in, it would certainly offend North Korea and have an adverse impact on overall inter-Korean relations," a Foreign Ministry official said Saturday.

Russian Vice Foreign Minister Aleksandr Panov said in New Delhi Friday that if Seoul agreed, Russia would send all escaped North Korean loggers to South Korea.

The ministry official said that if South Korea allowed the escaped loggers to come, it would set off an avalanche of would-be asylum seekers, a development certain to alarm the Pyongyang regime.

President Kim Yong-sam said Thursday that about 90 North Korean loggers had applied at the South Korean Embassy in Moscow for asylum in South Korea.

"But we are not accepting them under a policy not to offend North Korea, and there will be no change in this policy for a considerable period of time," Kim said.

The ministry official said that accepting North Korean loggers at this stage would involve a set of complicated problems.

In addition to offending Pyongyang, he said, there would be the problem of raising funds for their resettlement, of handling outlaws among the escaped loggers, and of similarly accepting loggers who manage to enter China.

"We must cope with the question prudently and flexibly from a far-reaching viewpoint in consideration of future developments in inter-Korean relations," an official at the National Unification Board said.

DPRK Reportedly Requests Liaison Contact

*SK1104095994 Seoul YONHAP in English 0954 GMT
11 Apr 94*

[Text] Seoul, April 11 (YONHAP)—North Korea proposed on Monday to have a South-North liaison officials contact at Panmunjom on Wednesday morning, saying they have messages to deliver to the South.

In a telephone message to the South, North Korea said that at the contact they would deliver messages recently adopted by a joint session of the North Korean Government, political parties and social organizations.

The messages are addressed to the South Korean Government, political parties, social organizations and some individuals, it said.

A Unification Board official hinted that the South would not send a liaison official to Panmunjom as suggested by the North.

"The message is apparently part of their united front strategy. A dialogue for political propaganda's sake is something not desirable," the official said.

Kim Il-Song's Sons Differ in 'Popularity'

*SK1004062894 Seoul KYONGHYANG SINMUN in
Korean 10 Apr 94 p 5*

[Text] A photograph of Kim Pyong-il, Kim Il-song's second son (41), who assumed office as North Korean ambassador to Finland on 18 March, was disclosed by a recent issue of the Japanese weekly news magazine SHUKAN BUNSHUN (photograph).

The disclosure of the photograph of Kim Pyong-il, who has been shielded from the Western press, is very unusual. The photograph was taken as he was entering the Finnish president's official residence to present him with his credentials.

Kim's tall 180 centimeter height, 80 kg weight, and not excessively fat face remind one of his father, Kim Il-song, when he was young.

In an article entitled "Kim Pyong-il, a Younger Sibling of Successor Secretary Kim Chong-il Whom the Latter Fears Most," the SHUKAN BUNSHUN said: "Kim Pyong-il served as North Korean Ambassador to Hungary in 1988, then as ambassador to Bulgaria before being appointed as ambassador to Finland." The weekly added: "Kim Pyong-il is treated by his brother like a person living in exile."

The weekly noted: "He excels in his foreign language ability, likes sports, and has an aspect of sincerity in his characteristics. Handsome Kim Pyong-il is reported to be enjoying far greater popularity than Kim Chong-il among the North Korean people."

SHUKAN BUNSHUN also noted: "Kim Pyong-il graduated from Kim Il-song University, served in the Army

for ten plus several years, and enjoys an extensively good reputation in the Army as well." The weekly then observed: "If Kim Il-song dies, it is quite possible that the anti-Kim Chong-il force will try to replace Kim Chong-il with Kim Pyong-il."

Shipment of U.S. Apache Helicopters 'Deployed'

*SK1104115894 Seoul YONHAP in English 1150 GMT
11 Apr 94*

[Text] Tokyo, April 11 (YONHAP)—The United States had by last Sunday deployed in South Korea part of the up-to-date Apache attack helicopters it plans to bring into Korea to build up the battle ability of the U.S. Forces in Korea, a Japanese daily reported Monday.

In a dispatch from Seoul, the ASAHI SHIMBUN quoting a South Korean military source said the first batch of ground-to-air Patriot missiles, too, is expected to arrive in South Korea toward this weekend and early next week timed with U.S. Defense Secretary William Perry's visit to Korea.

Both Apache helicopters and Patriots are designed to help prepare against contingency on the Korean peninsula, the paper said.

ASAHI said they were initially set to be deployed in Korea by mid-March but their deployment has been delayed in consideration of the inter-Korean contacts that had been going on at that time on the issue of exchanging special envoys.

About 30 Apache helicopters are set to be taken into Korea, including those already deployed at U.S. military installations north of Seoul, it said.

Trade Minister Plans To Meet USTR Kantor

*SK0904080094 Seoul YONHAP in English 0735 GMT 9
Apr 94*

[Text] Seoul, April 9 (YONHAP)—South Korean delegation leaves for Marrakech, Morocco, Sunday to sign the Uruguay Round agreement in the midst of fierce opposition at the home front.

Trade, Industry and Resources Minister Kim Chol-su leads the 16-member delegation to be joined by nine others at Marrakech. He will be one of the representatives from 123 nations there marking the conclusion of the global trade pact that comes after seven years of gruelling negotiations since the first meeting in Punta del Este, Uruguay, back in 1986.

While protesters rocked the entire nation Saturday to oppose South Korea's signing of the agreement, Seoul officials declared they will go ahead to commit to the pact. But Seoul will delay signing the mandate for the World Trade Organization (WTO) and its annex protocol until after the parliamentary ratification, officials said. The mandate for the WTO includes country schedules in agriculture, industry and services.

Kim will meet with U.S. Trade Representative Mickey Kantor while in the Moroccan city where the two officials are expected to formally discuss wider opening of South Korean market to American automobiles. He also meets other trade ministers from Asia-Pacific Economic Cooperation (APEC) members for an informal conference to decide on the time, site and agendas to the APEC trade ministers' talks scheduled or sometime in September or October.

Official on Commitment To Sign Uruguay Agreement

SK0904052794 Seoul YONHAP in English 0451 GMT 9 Apr 94

[Text] Seoul, April 9 (YONHAP)—South Korea will sign the final Uruguay Round [UR] agreement at the three-day 120-nation ministerial conference from April 12 in the Moroccan City of Marrakech, but hold off on inking the mandate for the World Trade Organization (WTO), the successor to the General Agreement on Tariffs and Trade (GATT), and its annexed protocol, the Government Procurement Agreement, until after parliament approves, a government official said Saturday.

The official denied reports that Seoul might hold back on signing the final agreement, which would be construed as a rejection of the total UR pact as the signing is a formal and declarative promise of commitment to the world's largest trade agreement and its future direction by participating nations.

But Korea is seriously thinking about waiting on the mandate for the WTO, comprised of bilateral and multilateral negotiations in 17 fields including country schedules in agriculture, industry and services, and its annexed protocol until formal approval by the National Assembly.

Signing the two other agreements is not mandatory at the Marrakech conference and countries can choose to do so after parliamentary ratification.

The United States and Japan have already decided not to sign the two pacts at next week's conference due to domestic legal procedures.

Three agreements will be signed at the Marrakech meeting on April 15. Some nations will sign then while others will wait until after legislative passage, ruling Democratic Liberal Party Spokesman Ha Sun-pong said after party-government discussions.

'Over 30,000' Protesters Oppose Uruguay Round

SK0904091894 Seoul YONHAP in English 0907 GMT 9 Apr 94

[Text] Seoul, April 9 (YONHAP)—Over 30,000 defiant protesters united nationwide Saturday to oppose South Korea's signing of the Uruguay Round [UR] agreement on the eve of delegation's departure to commit to the pact.

Collegians at Seoul universities had joined some 13,000 farmers' representatives, opposition lawmakers, activist teachers and dissidents at Poramae Park in southern part of the capital by 2:30 P.M. to launch the rally opened simultaneously in 11 other cities.

Hundreds of ralliers in the southern city of Ulsan occupied downtown streets chanting "renegotiate, renegotiate." Some 2,000 protesters in Chonju threatened to fight to bring down the government if the agreement is not rebargained.

"No to UR," "Fight UR till death," shouted protesters in Seoul as they tried to cut the police blockade to march to the National Assembly hall. Fierce clashes are likely late into the evening with hundreds of students vowing to reunite at Myeongdong Cathedral to go on a hunger strike until the trade agreement is vetoed at the National Assembly.

Organizers said 197 groups participated in the rally that turned out to be the largest this year to fight Seoul's commitment to the global trade pact at the signing ceremony starting next Tuesday. Controversy over South Korea's country schedule never waned after the government retracted a presidential promise and opened its rice market.

Government officials said they are going ahead to ink the Uruguay Round final agreement despite the protest at home. Trade, industry and resources minister leaves for the ceremony in Morocco Sunday.

"The government could not possibly sign the agreement in Morocco on April 12 if it sincerely cared for the people and the country's future," opposition leader Yi Ki-taek said through a blaring microphone. "We will never sit idly by if the government tries to put its stamp on the agreement as is," he said.

Organizers read a statement demanding an immediate hearing on allegations of secret agreement with the United States on rice market opening. The headquarters of the pan-national movement for protection of farmers pleaded with the citizens to participate in the fight against ratification and to keep foreign products off the market shelves.

Government Examines Funds for Postreunification

SK1104140694 Seoul CHUNGANG ILBO in Korean 11 Apr 94 p 1

[Text] It was learned on 11 April that under the basic policy of annually collecting reunification funds—which may reach hundreds of million and billion of won—in preparation for the approach of the immediate reunification of the Korean peninsula, the government has begun to study concrete measures on the form of fund collection, the principle for using funds, and subjects of fund collection.

The government has decided to formulate a policy to prepare for the period after reunification as they do not

rule out the possibility that the North Korean system may suddenly collapse due to the recently increasing number of North Korean escapees.

A relevant government official in charge of security-related affairs said that "the present confirmed position of the government is to collect annually reunification funds in preparation for the approach of the immediate reunification," and that "the government will decide on the total amount of reunification funds only after studying concrete measures, such as the method of collecting funds, principle for using funds, and subjects of fund collection."

Another relevant government official in charge of security-related affairs said: "The government has just established a Unification and Security Policy Coordination Council, which Chongwadae [presidential office] will directly operate. We can say that this is related to the serious move recently shown inside North Korea. The reunification funds can be spent, in the form of emergency funds, on the fulfillment of major projects that will be carried out during the period after national reunification."

Although the government has studied plans to collect funds—which, so far, have been dependent upon people's donations—it has had difficulties making decisions due to President Kim Yong-sam's proposed principle of prohibiting people from donating funds in a quasi-tax form.

The official said: "It is difficult to estimate the funds necessary for reunification, it is even more difficult to appropriate funds—which would total hundred millions and billions of won—from the government's budget or its reserve funds. Therefore, the government will collect funds from people in the form of donations or from bonds for national reunification. It will carry out the plans as soon as possible when there is consensus among people."

The government also believes North-South cooperation funds would be needed more in case the North Korean nuclear issue is resolved and progress is made in North-South relations. Accordingly, it has studied plans to increase North-South cooperation funds, which presently totals approximately 100 billion won.

Reunification funds are different from North-South cooperation funds in that the former are funds to prepare for the period after national reunification.

Delhi Signs Accord on Supply of Heavy Water

BK0804125994 Delhi All India Radio Network in English 1230 GMT 8 Apr 94

[Text] New Delhi is to supply 100 tons of heavy water for a nuclear power plant in South Korea. Under an agreement signed in Seoul today, the heavy water subject to international atomic energy safeguards will be shipped in 1997-98. The deal worth \$23 million is the first major commercial export of heavy water from India which is its leading producer in the world.

Burma

Philippines' Romulo Meets Deputy Prime Minister

*BK0804163094 Rangoon Radio Burma in Burmese
1300 GMT 8 Apr 94*

[Text] The visiting Philippines foreign minister, Mr. Roberto R. Romulo, and delegation paid a courtesy call on Lieutenant General Tin Tun, member of the State Law and Order Restoration Council and deputy prime minister, at the latter's office at 1000.

Cordial and frank talks were held on agriculture, tourism, bilateral economic cooperation matters, and enhanced goodwill relations.

Romulo, Trade Minister Tun Kyi Hold Talks

*BK0904070294 Rangoon Radio Burma in Burmese
1300 GMT 8 Apr 94*

[Text] Visiting Philippines Foreign Minister Mr. Roberto R. Romulo and delegation called on Lieutenant General Tun Kyi, member of the State Law and Order Restoration Council and minister of trade, at the latter's office at 1100 this morning and held cordial and frank talks on bilateral economic and trade matters.

The visiting Philippines delegation led by Foreign Minister Mr. Roberto R. Romulo left Yangon [Rangoon] by air this afternoon.

The delegation was seen off at Yangon airport by Foreign Affairs Minister U Ohn Gyaw and wife, Deputy Foreign Affairs Minister U Nyunt Swe and responsible personnel, and Philippines Ambassador Mr. Rosario V. Carino and embassy officials.

Khin Nyunt Meets Indonesian, Philippines Ministers

*BK0804154394 Rangoon Radio Burma in Burmese
1300 GMT 8 Apr 94*

[Text] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council of the Union of Myanmar [Burma], received visiting Indonesian Forestry Minister Mr. Jamaludin and delegation at the Defense Ministry's Dagon House at 0830 this morning.

Similarly, SLORC Secretary-1 Lt. Gen. Khin Nyunt received visiting Philippines Foreign Minister Mr. Roberto R. Romulo and delegation at the Defense Ministry's Dagon House at 0900 this morning.

Indonesian Forestry Minister Departs

*BK1004152394 Rangoon Radio Burma in Burmese
1330 GMT 10 Apr 94*

[Text] Indonesian Forestry Minister Jamaludin and delegation who are visiting Myanmar [Burma] at the invitation of Lieutenant General Chit Swe, member of the State Law and Order Restoration Council and minister of forestry affairs, visited Mandalay, Pagan, Nyaung-u, and Kyaukpadawng from 8 to 9 April. The minister and the delegation were accompanied by U Aung Phone, deputy minister of forestry affairs; Mohamed Sanusi, the Indonesian ambassador to Myanmar; high-ranking officials from the departments, and advisers.

The visiting minister hosted a dinner at Karawein Hotel at 2000 on 9 April. The dinner was attended by Lieutenant General Chit Swe, minister of forestry affairs, and his wife; the Indonesian ambassador to Myanmar, high-ranking embassy officials, and responsible personnel from the Ministry of Forestry Affairs.

The minister and delegation left Yangon [Rangoon] by Myanmar Airways International flight at 0800 this morning for Indonesia via Singapore. The minister and delegation was seen off at Yangon airport by Lieutenant General Chit Swe, minister of forestry affairs; wife of Deputy Forestry Affairs Minister U Aung Phone; the Indonesian ambassador to Myanmar, and members of the embassy; and responsible personnel from the Ministry of Forestry Affairs.

Karen, SLORC Said To Discuss Peace Talks

*BK0904130394 Bangkok BANGKOK POST in English
9 Apr 94 p 6*

[Text] THE Karen National Union (KNU) will appoint a five-man team to meet representatives of Burma's ruling State Law and Order Restoration Council to discuss the possibility of peace talks, a Karen guerrilla said yesterday.

"We are awaiting the Burmese junta's decision on whether to meet with us, and on the place and the time of the meeting," said the guerrilla, who is a colonel.

However, the meeting should be held openly, he said. "The meeting must be held outside the territory controlled by the junta. If possible, it should be a neighboring country where the mass media will be allowed to observe."

The Karen team will first sound out the Burmese junta on the subjects to discuss at the peace talks. Initially, low-level representatives from both sides could meet to prepare an agenda for a meeting of higher-level officials, he said.

Gen. Bo Mya, the KNU's president will not take part in the first talks.

Two months ago, the KNU appointed a team, headed by Brig. Gen. Maung Maung, its joint secretary, to meet

with Burmese junta representatives. But a new team will be appointed when the Burmese junta is ready for talks, he said.

The Karen colonel, who is a close aide of Gen. Bo Mya, said the KNU regards the peace negotiations as very important to settling its prolonged conflict with Rangoon.

Analysis Report on 'Head of State' Chapter

BK0904163894

[Editorial Report] Rangoon Burma Television Network in Burmese at 1300 GMT on 8 April carries a 39-minute report on the 8 April National Convention plenary session on the presentation by the Panel of Chairmen on the review and analysis of suggestions submitted by the delegate groups to prescribe the fundamental principles related to the "State," "State Structure," and "Head of State" chapters that will be included in drawing up the constitution.

Alternate Chairman U Saw Philip, alias U Philip San, and Panel of Chairmen members U San Tha Aung, U Sai Aung Htun, U Kan Nyunt, U Mahn Ohn Maung, U Soe Maung, U Tin Maung, U Khin Maung Htoo, and Dr. Than Nyunt present analysis on the "Head of State" chapter.

The Panel of Chairmen's report clarifies and appraises the reports presented by the various delegate groups concerning the head of state and suggests the following as basic principles concerning the appropriate terms of office for the president and vice presidents for the "Head of State" chapter. "The term of office of the president and the vice presidents shall be five years; the president and vice presidents shall carry on in office until the new president and vice presidents are duly elected after the expiration of incumbent terms; incumbents shall serve in the office of the president and vice presidents for not more than two terms; and the term as acting president or acting vice president shall not be considered as a term in office." Moreover, the analysis report proposes that "if for some reason the post of president or vice president becomes vacant and someone is elected to fill the vacancy, the term of office of that person shall be only until the end of the original term of office."

Next, the Panel of Chairmen's analysis report clarifies the political position of the president and proposes the basic principles. "The president and vice presidents shall not be representatives of parliament; if a parliament representative is elected president or vice president, this person shall be deemed to have resigned his seat in parliament, and if a public service person is elected president or vice president, that person shall be deemed to have retired from the date of such election; if a person elected president or vice president happens to be a member of a political party, that person shall not participate in party activities of that party organization from the date of such election during the term of office."

Continuing, the analysis report defines the oaths of office for the president and vice presidents before they assume their official responsibilities and cites suggestions by various delegates, including: "A. To observe and safeguard the state constitution; B. To protect the laws of the nation; C. To strive for the nondisintegration of the union, the nondisintegration of national solidarity, and perpetuation of national sovereignty; D. To execute the constitutional duties and responsibilities with righteousness and without depravity; E. To strive for the promotion of Lawkapala [universal] principle of justice, liberty, and equality." The analysis report proposes that the basic principle on the oath of office include the following points: "To be loyal to the Union of Myanmar [Burma] and its citizens; to perpetually bear in mind and strive for the nondisintegration of the union, the nondisintegration of national solidarity, and perpetuation of national sovereignty; to observe and safeguard the state constitution and to protect and abide by the laws of the nation; to execute duties and responsibilities with utmost integrity and righteousness; to strive for the promotion of Lawkapala principle of justice, liberty, and equality in the Republic of the Union of Myanmar; and solemnly swear to offer one's body and life to the nation for the benefit of the Republic of the Union of Myanmar." Next, the Panel of Chairmen's analysis report suggests another basic principle, stating that "the president and vice presidents should not accept any other office or position of emolument."

Further, the analysis report evaluates the assets of the president and vice presidents and proposes that "the president and vice presidents should furnish lists of assets—such as family-owned land, houses, buildings, businesses, savings, and other valuables, stating their values, and belonging to the respective families headed by them—and send them to the leader of the union parliament." The report then describes remuneration, benefits, and lodging suggestions and proposes that "the president and vice presidents should each be entitled to enjoy legally appropriate remuneration, privileges, and benefits; each should be provided with a suitable residence; and when a president or vice presidents, apart from those being impeached, retire after completing a term in office, they should be granted pension and suitable benefits."

The Panel of Chairmen's analysis report determines the duties and responsibilities and proposes the basic principle that "the president and vice presidents shall exercise responsibilities and rights assigned and vested by the constitution and other laws." The report next assesses the points for impeachment, the procedures to be followed, and prescribes the basic principles "1. The president or a vice president can be impeached for the following reasons: A. treason; B. violation of the state constitution; C. misconduct; D. deterioration in the specific qualifications prescribed in the constitution for the president and vice president; 2. If a president or a vice president faces impeachment, a written proposal signed by not less than one quarter of the total members

of any of the two parliaments included in the union parliament will be submitted to the leader of that parliament; 3. The impeachment procedure can continue only if it is supported by not less than two-thirds of the total members of the parliament concerned; 4. When an impeachment motion has been referred by one parliament, the other parliament shall investigate the motion or cause the motion to be investigated by a body; 5. The president, vice presidents, or their representatives shall have the right to refute the motion; 6. If, as a result of the investigation, a resolution is passed and is supported by not less than two-thirds of the members of the parliament by which the charge was investigated or caused to be investigated, declaring that the charge has been sustained and that the offense—the subject of the charge—was such as to render the president or vice president unfit to continue in office, that parliament should submit it to the leader of the union parliament to remove the president or vice president from office; 7. Immediately upon receipt of the submission, the leader of the union parliament shall proclaim the removal of the president or vice president from office."

Next, the Panel of Chairmen's analysis report analyzes the election of a president or a vice president if the positions become vacant due to resignation, death, or inability, and proposes the basic principles that "1. The president or vice president should have the right to resign from office of their own volition before the expiry of the term of office; 2. If the post of president becomes vacant due to resignation, death, inability to discharge the powers and duties of the office, or any other cause, the vice president who has won the second highest number of votes in the presidential election shall serve as acting president; 3. If the vacancy in the presidency arises while the union parliament is in session, the acting president should promptly inform the leader of the union parliament to fill the vacancy within seven days; 4. Upon receipt of the announcement from the acting president, the leader of the union parliament should take the necessary steps to elect a new vice president by the electoral college; 5. After electing a new vice president, union parliament members shall elect a president of their choice from among the vice presidents; 6. If a vacancy arises when the union parliament is not in session, the leader of the union parliament shall summon a special parliamentary session within 21 days of receiving the announcement from the acting president and carry out the above-mentioned process for choosing a new president; 7. If a vice presidential post becomes vacant due to resignation, death, removal from office, permanent disability, or any other cause while the union parliament is in session, the electoral college which has elected that vice president should promptly inform the leader of the union parliament to fill the vacancy within seven days; 8. If a vacancy arises when the union parliament is not in session, the leader of the union parliament shall summon a special parliamentary session within 21 days of receiving the announcement from the president and carry out the required process for choosing a new vice president."

Analysis Report on 'Head of State' Chapter BK0904163894

[Editorial Report] Rangoon Burma Television Network in Burmese at 1300 GMT on 8 April carries a 39-minute report on the 8 April National Convention plenary session on the presentation by the Panel of Chairmen on the review and analysis of suggestions submitted by the delegate groups to prescribe the fundamental principles related to the "State," "State Structure," and "Head of State" chapters that will be included in drawing up the constitution.

Alternate Chairman U Saw Philip, alias U Philip San, and Panel of Chairmen members U San Tha Aung, U Sai Aung Htun, U Kan Nyunt, U Mahn Ohn Maung, U Soe Maung, U Tin Maung, U Khin Maung Htoo, and Dr. Than Nyunt present analysis on the "Head of State" chapter.

The Panel of Chairmen's report clarifies and appraises the reports presented by the various delegate groups concerning the head of state and suggests the following as basic principles concerning the appropriate terms of office for the president and vice presidents for the "Head of State" chapter. "The term of office of the president and the vice presidents shall be five years; the president and vice presidents shall carry on in office until the new president and vice presidents are duly elected after the expiration of incumbent terms; incumbents shall serve in the office of the president and vice presidents for not more than two terms; and the term as acting president or acting vice president shall not be considered as a term in office." Moreover, the analysis report proposes that "if for some reason the post of president or vice president becomes vacant and someone is elected to fill the vacancy, the term of office of that person shall be only until the end of the original term of office."

Next, the Panel of Chairmen's analysis report clarifies the political position of the president and proposes the basic principles. "The president and vice presidents shall not be representatives of parliament; if a parliament representative is elected president or vice president, this person shall be deemed to have resigned his seat in parliament, and if a public service person is elected president or vice president, that person shall be deemed to have retired from the date of such election; if a person elected president or vice president happens to be a member of a political party, that person shall not participate in party activities of that party organization from the date of such election during the term of office."

Continuing, the analysis report defines the oaths of office for the president and vice presidents before they assume their official responsibilities and cites suggestions by various delegates, including: "A. To observe and safeguard the state constitution; B. To protect the laws of the nation; C. To strive for the nondisintegration of the union, the nondisintegration of national solidarity, and perpetuation of national sovereignty; D. To execute the

constitutional duties and responsibilities with righteousness and without depravity; E. To strive for the promotion of Lawkapala [universal] principle of justice, liberty, and equality." The analysis report proposes that the basic principle on the oath of office include the following points: "To be loyal to the Union of Myanmar [Burma] and its citizens; to perpetually bear in mind and strive for the nondisintegration of the union, the nondisintegration of national solidarity, and perpetuation of national sovereignty; to observe and safeguard the state constitution and to protect and abide by the laws of the nation; to execute duties and responsibilities with utmost integrity and righteousness; to strive for the promotion of Lawkapala principle of justice, liberty, and equality in the Republic of the Union of Myanmar; and solemnly swear to offer one's body and life to the nation for the benefit of the Republic of the Union of Myanmar." Next, the Panel of Chairmen's analysis report suggests another basic principle, stating that "the president and vice presidents should not accept any other office or position of emolument."

Further, the analysis report evaluates the assets of the president and vice presidents and proposes that "the president and vice presidents should furnish lists of assets—such as family-owned land, houses, buildings, businesses, savings, and other valuables, stating their values, and belonging to the respective families headed by them—and send them to the leader of the union parliament." The report then describes remuneration, benefits, and lodging suggestions and proposes that "the president and vice presidents should each be entitled to enjoy legally appropriate remuneration, privileges, and benefits; each should be provided with a suitable residence; and when a president or vice presidents, apart from those being impeached, retire after completing a term in office, they should be granted pension and suitable benefits."

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president, vice presidents, or their representatives shall have the right to refute the motion; 6. If, as a result of the investigation, a resolution is passed and is supported by not less than two-thirds of the members of the parliament by which the charge was investigated or caused to be investigated, declaring that the charge has been sustained and that the offense—the subject of the charge—was such as to render the president or vice president unfit to continue in office, that parliament should submit it to the leader of the union parliament to remove the president or vice president from office; 7. Immediately upon receipt of the submission, the leader of the union parliament shall proclaim the removal of the president or vice president from office."

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National Convention Adjourns, To Reconvene 2 Sep
BK0904153294 Rangoon Radio Burma in Burmese
1300 GMT 9 Apr 94

[Excerpts] The National Convention Plenary Session continued at 0900 this morning in the Central Meeting Hall of the President's Residence compound on Ahlone Road, Yangon [Rangoon].

The plenary session was attended by Lieutenant General Myo Nyunt, chairman of the National Convention Convening Commission (NCCC), Vice Chairmen Lt. Gen. Maung Thint and Brigadier General Myo Thant, and commission members; U Aung Toe, chairman of the National Convention Convening Work Committee, Vice Chairman U Tha Tun, and work committee members; Brig. Gen. Tin Aye, chairman of the National Convention Convening Management Committee [NCCMC], and committee members; national convention delegates; and local and foreign correspondents.

At the plenary session, NCCC Chairman Lt. Gen. Myo Nyunt presided as alternate chairperson and NCCC Secretary Brig. Gen. Aung Thein acted as secretary of the meeting. [passage omitted on NCCC chairman's address]

Next, NCCC Secretary Brig. Gen. Aung Thein explained salient matters on management. He said that as the NCCC chairman has noted the National Convention Plenary Session will be reconvened on 2 September 1994. Esteemed delegates from the districts will be able to return home beginning from 10 April by air, rail, boat, and road by contacting the transportation subcommittee of the NCCMC. He explained the need for the delegates to arrive in time for the 2 September Plenary Session and reminded the delegates to return not earlier than 29 August and not later than 1 September. The Plenary Session adjourned at 1100.

Brunei, Malaysia & Singapore

Malaysia

Commentary Applauds Visit by Cambodia's Sirivut

BK0904111994 Kuala Lumpur Voice of Malaysia in English 0800 GMT 8 Apr 94

[Station commentary]

[Text] The four-day visit of Cambodian Deputy Prime Minister Prince Norodom Sirivut to Malaysia this week marked another step in building stronger relations between the two countries. A Malaysia- Cambodia Joint Commission is to be set up soon to promote bilateral activities. The idea was suggested by Sirivut himself at his one-hour meeting with Malaysian Foreign Minister Abdullah Ahmad Badawi. The commission will, among others, coordinate training and cooperation in agriculture, tourism, and forestry apart from the exploitation of oil and minerals. Cambodia has also requested Malaysia's assistance in the formulation of trade and investment policies for the country.

Ever since the two-decade-old civil war was brought to an end, Malaysia has been in the forefront in that country's reconstruction and development. Prince

Sirivut expressed his country's gratitude to the Government and people of Malaysia who had greatly contributed toward the peace process in his country.

Cambodia plans to set up an embassy in Kuala Lumpur before proceeding to do so in other countries of ASEAN. The embassies are necessary to enable Cambodia keep abreast with developments in the region as they have been isolated during the last 20 years.

Right now, Cambodia's priority is to revive its economy. The new Cambodian Government, which was formed after last May's general elections, is keen on attracting Malaysia's private sector to invest in the country. It is also seeking Malaysia's expertise in various fields, especially in agriculture. It is relevant to find out that 85 percent of the Cambodian people live in the rural areas. Thus, Cambodia naturally wants to learn from Malaysia how the latter has achieved immense development and improved the quality of life in the rural areas.

The visit of Prince Sirivut, who is also minister of foreign affairs and international cooperation, was also to finalize details of the Malaysian premier Dr. Mahathir Mohamed's three-day visit to Cambodia next week. Dr. Mahathir is scheduled to hold discussions on bilateral, regional, and international issues with the co-prime ministers of Cambodia, Prince Norodom Ranariddh and Mr. Hun Sen. According to Sirivut, the official visit of the Malaysian premier is interpreted and considered by the Government of Cambodia as a very important political event. The people of Cambodia are reported to be looking forward to the visit, especially because of Malaysia's role in the country's peace process.

Malaysia, just like its other ASEAN partners, considers Cambodia as an important and integral part of Southeast Asia. Malaysia may be remembered as among the first countries to send troops to serve in the United Nations Transitional Authority in Cambodia, UNTAC. And now that peace has come about as a result of the UN-brokered 1991 Paris peace accord, Malaysia would like to see that country grow and prosper in all fields, and come on par with other countries in the region.

Christians Not 'Target' of Philippine Maid Raid *BK0804093294 Kuala Lumpur NEW STRAITS TIMES in English 6 Apr 94 p 11*

[Text] Kuala Lumpur, Tues.—The round-up of 1,500 Filipino maids at Saint John's Cathedral here on March 27 was not a deliberate attempt to target foreign Christian workers.

Deputy Home Minister Datuk Megat Junid Megat Ayub said today that the Government considered such an exercise as routine and part of the on-going operation to detain foreign workers without valid travel and employment papers.

He criticised certain foreign newspapers for their reports which had implied the exercise was targeted at Christian foreign workers.

"Just because the operation took place in a church area, it has been misconstrued as targeting Christian foreign workers," he said.

"Such reports were not only mischievous but also untrue," he added.

Megat Junid was speaking to newsmen at his office at the Prime Minister's Department here.

He said that in the past the police and immigration authorities had rounded up illegal foreign workers at other places of worship without protest from their governments.

"There have been operations where foreign Muslim workers who did not have the proper papers were detained at mosques where they slept" he said.

Yesterday, the Philippines Foreign Office in Manila summoned a senior Malaysian diplomat to express deep concern over the round-up of the Filipino maids.

Charge d'affaires Mohamed Noh told Foreign Secretary Roberto Romula the action was part of periodic checks by Malaysian authorities against illegal immigrants.

Megat Junid said the operation was carried out at Saint John's Cathedral following media reports that some Filipino maids were involved in vice activities.

Of the 1,500 who were taken to the Immigration Department headquarters here, 711 were found without valid travel documents.

Government To Invest in Telecommunication Industry

BK0804091494 Kuala Lumpur BERNAMA in English 0746 GMT 8 Apr 94

[Text] Kuala Lumpur, April 8 (OANA-BERNAMA)—Malaysia expects to spend [Malaysian ringgit] RM16.2 billion (about US\$6 billion) on development of the telecommunications industry for the next five years from 1993, Deputy Energy, Telecommunications and Posts Minister Tajol Rosli Ghazali said Friday.

Only through sustained investment in domestic research and development could the country ensure a steady, if not spectacular, growth in the industry and contribute towards Vision 2020, he said at the opening of the Telemex/Elec-Com/Electrical '94 Exhibition, here.

Tajol Rosli said that given the rising demand for telecommunications services, joint-venture projects with multi-national manufacturers to produce or assemble telecommunications equipment locally were encouraged if Malaysia were to be a strong contender in the telecommunications equipment export area.

In this respect, he noted that Telekom Malaysia was leading the way by investing RM670 million (about US\$248 million) in its local network, RM160 million (about US\$59.25 million) in its international network and RM1.7 billion (US\$629 million) in the development of rural telecommunications.

It is hoped that other telecommunications corporations would follow suit and work towards making Malaysia the regional centre for telecommunications activities, he added.

The six-day exhibition on telecommunications system, office automation, electronics and electrical equipment, is staged by 54 exhibitors including those from China, Germany, Japan and Singapore.

Minister Announces New Central Bank Governor

BK0804133994 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 8 Apr 94

[Excerpt] Malayan Banking Berhad's [Maybank] managing director Encik [Mr.] Ahmad Mohamed Don has been appointed as the new governor of Bank Negara [Central Bank] effective 1 May. He will replace Tan Sri Jaffar Hussein, who has opted for early retirement after taking responsibility for Bank Negara's massive losses in (?forward) transactions in the foreign exchange market in 1992 and 1993.

Encik Ahmad, 47, has been appointed for a three-year period. Finance Minister Datuk Sri Anwar Ibrahim announced this in a statement today. Appointed as managing director of Maybank since 1 January 1991, the company under his stewardship has emerged as the country's leading bank. The banking group was the number one bank among commercial banks in the country in terms of assets, deposits, shareholders' fund, and precash profit in 1993 and 1994. [passage omitted on new central bank governor's education and career]

Singapore

Judgment Against U.S. Student's Appeal Released

BK0804145494 Singapore Singapore Broadcasting Corporation in English 1400 GMT 8 Apr 94

[Text] Chief Justice Yong Pung How has released his written judgment for dismissing the appeal by American student Michael Fay. The chief justice noted the appeal had rested on two grounds. The first ground of appeal is that the district judge erred in deciding that paint was regarded as an indelible substance under the Vandalism Act. Chief Justice Yong said the act indicates plainly the parliament's intention that all acts of vandalism committed with paint be punished with caning. There is no evidence anywhere to subject all such acts of vandalism to this sort of test of indelibility, which Fay's counsel had suggested.

The chief justice said the law clearly states an act of vandalism committed with paint, whether with one type or another, attracts a mandatory minimum of three strokes of the cane.

On the second ground of appeal, Fay's counsel had said the district judge should have called for pre-sentence probation report. Chief Justice Yong said the court had been given the discretion to decide rehabilitation for young offenders when balancing the concerns of society. He is satisfied the district judge had fully considered all mitigating factors listed by Fay's counsel, including his youth and plea of guilt.

Singaporeans Largest Foreign Investor in Burma

BK1004155894 Singapore THE STRAITS TIMES in English 9 Apr 94 p 47

[Text] Singapore, with investment commitments of US\$260.8 million [(Singapore dollar) S\$406.7 million] to date, is now Myanmar's [Burma] largest foreign investor overtaking Thailand and the United States, Myanmar's [Burma] Minister for National Planning and Economic Development Brigadier-General [BG] David Abel said yesterday.

Speaking at a seminar here on business opportunities in Myanmar, he said Singapore's rate of investment was the fastest growing.

The Republic's investments had already grown from US\$45 million in August last year to US\$107.6 million as at March 16 this year, according to Myanmar's Foreign Investment Commission.

Singapore also has the most international telephone connections with Myanmar.

Singaporean investments were mainly in oil and gas, tourism and hotel and mining.

About 150 representatives of local and international companies attended the seminar organised by Conference & Exhibition Management Services, Applied Investments, the Singapore Manufacturers Association and the Singapore International Chamber of Commerce.

BG Abel will call on Trade and Industry Minister Yeo Cheow Tong and Trade Development Board chairman Alan Yeo today before returning home.

Last year, trade between Singapore and Myanmar increased by 19.4 per cent to [Singapore dollars] \$720 million.

Cambodia

Australia's Evans Urges KR To End War

BK1004125994 Melbourne Radio Australia in English 1100 GMT 9 Apr 94

[Text] Australia's Foreign Minister Gareth Evans has called on the rebel Cambodian guerrilla faction, the

Khmer Rouge, to end its war and talk peace with the government in Phnom Penh. Senator Evans told journalists in the Cambodian capital that the Khmer Rouge was a diminishing force with no credibility. He said the guerrillas continue to lose their power and influence and predicted that Cambodian Government troops would remain in control of the faction's former stronghold of Pailin, which they captured last month. Senator Evans said for the Khmer Rouge to engage in a proper reconciliation process, it would have to give up areas it still controlled, end its military campaign, and recognize the legitimacy of the Cambodian Government.

Australian Aid in Next Four Years Detailed

BK1004134394 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 10 Apr 94

[Text] His Excellency [H.E.] Senator Gareth Evans said in a news conference at the Information Ministry yesterday that Australia will provide aid worth 92 million Australian dollars to the Kingdom of Cambodia for a period of four years, from 1994-95 to 1997-98. According to this pledge, Australian aid will nearly double the amount of aid pledged by Australia for Cambodia at the international conference on Cambodia's rehabilitation held in March 1992 [as heard] in Tokyo, Japan.

H.E. Gareth Evans affirmed that this program enables Australia and Cambodia to solve urgent needs to develop important sectors in Cambodia, including infrastructure in which Australia will help build bridges to improve roads. As for mine clearing, Australia will continue to assist the Cambodian Mine Action Center in removing the estimated more than 10 million remaining mines in Cambodia. In the human rights sector, Australia will continue to assist the UN Human Rights Center in the Kingdom of Cambodia. In the field of education, Australia has paid attention to teaching the English language, including modern English teaching programs which will be broadcast over Australian international television and through the use of videotapes, tape recorders, and printing. In the public health sector Australia will make great efforts to completely eradicate polio and to control malaria.

Sihanouk Says Pailin Offensive 'Justified'

BK1004104094 Hong Kong AFP in English 0843 GMT 9 Apr 94

[Text] PHNOM PENH, April 9 (AFP)—King Norodom Sihanouk has expressed support for the government's recent offensive to capture the Khmer Rouge's rear headquarters in the northwestern town of Pailin, a report said Saturday.

"The offensive ... is legitimate, unavoidable and most laudable," the king said in an interview in the bi-weekly PHNOM PENH POST.

The government's recent seizure of Pailin was justified as a blow against the "de facto partitioning of the country and to prevent further destruction of the country's natural resources by the Khmer Rouge for their own profit and the gain of foreign interests," said the ailing King Sihanouk, who returned here Friday after an absence of more than six months.

The Khmer Rouge occupied the gem-and timber-rich area of Pailin in 1989. It has since served as their "capital" while it financed its guerrilla operations by selling mining and logging concessions to primarily Thai business consortiums.

King Sihanouk said that if the government could hold Pailin, "with its wealth of minerals and timber, it would be a benefit of historic proportions for Cambodia."

But he warned of a "double-edged sword" and pointed to the recent debacle at Anlong Veng, where government forces seized the strategic Khmer Rouge base only to be routed several weeks later when the guerrillas launched a surprise counter-attack.

The consequences of a similar setback in Pailin would be "extremely grave and hypothetically could threaten the very future of our new regime," the king said.

The 71-year-old monarch, who returned totally bald after months of cancer treatment in China, allayed widespread fears about the state of his health when he nimbly stepped down onto the tarmac of the capital's airport looking spruce and smiling.

But later a scheduled meeting with Khmer Rouge nominal leader Khieu Samphan to discuss peace negotiations was cancelled.

The Khmer Rouge's clandestine radio reported that the king told Khieu Samphan "it would be best" to postpone the meeting until June.

The king said in the interview that it was difficult for him to arrange or broker peace negotiations as the government was continuing to gain ground and co-premiers Prince Norodom Ranariddh or Hun Sen were not willing to talk with the Khmer Rouge.

Ranariddh Visits Pailin; General Views Thai Role

*BK1004140094 Phnom Penh AKP in English 1015
GMT 9 Apr 94*

[Text] Phnom Penh AKP April 9—Samdech Krompreah Norodom Ranariddh, first prime minister of Cambodia, paid a brief visit to Pailin on April 7.

Generals Tie Banh and Tea Chamrat, co-ministers of national defence, accompanied aboard an helicopter, the co-premier.

Prince Ranariddh was welcomed on his arrival in Pailin by General Ke Kimyan, chief of general staff; Pol Saroeun, deputy general staff; Sak Sutsakhan, adviser to

the co-prime ministers in charge of military affairs, and other high-ranking officers and combatants stationed in Pailin.

It was the first visit by a government leader since the seizure of Pailin by the Royal Khmer Army on March 19.

The same day a group of representatives of diplomatic corps of 19 countries and of four international organizations led by Mr. Khieu Kanharit, secretary of state of information, also visited the area.

"If Thailand does not support Khmer Rouge, Pailin will mainly be a zone of security and the local authorities will be put in place," General Ke Kimyan told the visitors.

Khieu Samphan Assesses Current Situation

BK1004140094 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 9 Apr 94

[Station Correspondent's Interview With Khieu Samphan, Chairman of the Party of Democratic Kampuchea; dated 9 April—recorded]

[Text] [Correspondent] The masses in Phnom Penh are waiting for Your Excellency; journalists in Phnom Penh have also reported that you will greet the king on his return after a long period of medical treatment. However, it has been reported that you cannot make this trip. Is this true? And what are your reasons for it?

[Khieu Samphan] Thank you comrade representative of the Voice of the Great National Union Front of Cambodia radio. I, like all cadres and members of the Party of Democratic Kampuchea [PDK], am very happy at the news that the king has been successfully treated, that he has recovered, and that he will return to Phnom Penh on 8 April.

I sent his majesty a message saying that I and a PDK delegation will join our nation and people in greeting him and the queen at Pochentong airport on his return. His majesty the king replied to me and allowed me and the PDK delegation to see him and the queen on 13 April 1994. However, on 5 April 1994, there was a message from the king to the head of his secretariat in Phnom Penh informing me that the two-headed government has refused to provide security and an escort to protect me. The king is clearly aware that in such a situation it will not be safe for me to see him in Phnom Penh on 13 April 1994. Therefore, he is pleased to let me see him and the queen in Beijing in June instead.

This royal message clearly shows the heart of the king concerning my safety. In his role as the father of the nation and of national reconciliation, he has always considered the PDK as a nationalist force which has joined our nation and people to struggle to defend and safeguard the nation and the Cambodian race under the

king's national reconciliation banner so that Cambodia is independent, peaceful, and neutral with its territorial integrity.

I would like to take this opportunity to express once again my deepest gratitude to his majesty the king for his lofty initiative above. In sum, the king is pleased to let me see him on 13 April 1994. However, there has been opposition to the king's reception of me and on my call on him. This is the story and the reason for my failure to call on the king and the queen in Phnom Penh.

This is trampling on the constitution and preventing the king from having any right or role. Any word or the slightest activity by the king along the line of national reconciliation has been opposed. By who?

In form, it seems as though the two-headed government is opposed to my meeting with the king. However, the truth is that the communist Vietnamese aggressors and their allies, namely the United States, France, and Australia, are against this. They are opposing the efforts of the king and of all nationalist forces on national reconciliation. They are only thinking about fueling the war of the communist Vietnamese.

[Correspondent] So, it is no longer possible for you to go to Phnom Penh. This will be an obstacle to national reconciliation and to a solution for peace. What do you think should be done?

[Khieu Samphan] To answer this question we should examine the reasons why the communist Vietnamese, their allies, the communist Vietnamese puppets, and the two-headed government are against my meeting the king on 13 April.

This is because they are afraid of the national force and our people, in particular they are afraid of the force of the masses in Phnom Penh which has been growing in strength. Our nation and people oppose them and demand national reconciliation and an end to the communist Vietnamese aggressors' war. Our nation and people clearly see that the communist Vietnamese, their allies, and their lackeys are the ones fueling the war. Our nation and people clearly realize that their tragedy and suffering are due to the communist Vietnamese aggressors and their allies, the communist Vietnamese puppets, and the two-headed government who think only of the war, of continuing the fighting, and of levying taxes from the people and using this money to serve the war. What little money that has been begged from foreigners has also been thrown into the war.

The communist Vietnamese have annexed Cambodian territory in the east at will and have brought nearly four million Vietnamese nationals into Cambodia at will. The two-headed government is indifferent to this. The economy has hit the bottom. Social problems are getting serious and are deteriorating and these people remain completely indifferent. They are implementing the strategy of the communist Vietnamese and their allies in

using a military war to kill the people and the Democratic Kampuchean force. They think that if they can destroy Democratic Kampuchea, they will kill the king politically and other nationalist forces and that they will run Cambodia through their fascist and barbarous policy. As for the communist Vietnamese, they will annex Cambodia at will. They are thinking along this line and are implementing this policy.

(Khieu Samphan continues) However, our entire nation and people, in the rural areas, in Phnom Penh, and abroad, are well aware of all this. They have cooperated and carried out activities everywhere through various forms to oppose all these warmongers.

Look at how these people are being entangled with their policy to fuel the war! What have they solved through the military war so far? What is the situation on the Anlung Veng battlefield? The Pailin battlefield situation will be moving toward that of Anlung Veng; it is just a question of time. It is the same situation on other battlefields.

Therefore, using a military war to destroy the national force and that of Democratic Kampuchea will not work. Thousands of social problems will get more serious. All this is a large chunk of rock hanging down from the two-headed government's neck. This rock is getting heavier and heavier. The government cannot get out of this. If it continues to fuel the war, it will certainly die. Why?

This is because of the strength of the great national union force. Our entire nation and people are uniting around the king's national reconciliation policy. This is a mighty force. The communist Vietnamese, their Western allies, their puppets and lackeys, and the two-headed government certainly cannot win against this mighty force. This has been successively borne by history. This is the current situation.

In sum, although they—the communist Vietnamese, the Western allies, their puppets and lackeys, and the two-headed government—strive to oppose the king, national reconciliation, peace, and to continue to fuel the war, they certainly cannot win against the force of the nation and the people who, in cooperation with the king, need to end the war and need peace and national reconciliation. The national reconciliation trend is very powerful; nothing can stop this.

Vietnamese Villagers Describe Attack by Gunmen

BK1104111994 Hong Kong AFP in English 1056 GMT
11 Apr 94

[Text] Pean So, Cambodia, April 11 (AFP)—Ethnic Vietnamese in this small village near Phnom Penh said Monday they could not identify the gunmen who massacred 14 of their number, contradicting reports which blamed Khmer Rouge guerrillas.

The gun and grenade attack also left more than 20 wounded in the village in Tro Sla district about 30 kilometers (20 miles) southeast of Phnom Penh, villagers said.

The Vietnamese Embassy in Phnom Penh said earlier Monday that local people blamed the Khmer Rouge for the attack late Saturday on the village along the banks of the Bassac River.

But one woman whose grandson was killed when the group of about 10 gunmen attacked said: "We do not know who they were because it was dark."

The assailants, who were dressed in shorts and T-shirts attacked at around 8.30 P.M. killing 14 people, mainly women and children, the Pean So villagers said.

"They started running from the far end of the village and when they heard the sound of children playing they threw grenades. They did not care about young or old," said Pham Kory, whose sister was killed and whose son and daughter were injured in a grenade blast.

Many of the ethnic Vietnamese villagers told AFP that they had never seen or heard of Khmer Rouge in the area and there was no evidence of guerrilla involvement in the attack.

Lam Van Chiep, a 42-year-old fisherman, also said he did not think the gunmen were bandits.

"It's very difficult to say who they were. Most of them wore shorts and T-shirts and they did not steal any belongings except for a little money," he said.

The Vietnamese Embassy statement, which originally identified the village as Tro Sla, called the attack the bloodiest in a year against ethnic Vietnamese living in Cambodia. The Khmer Rouge have been blamed for several massacres during the UN-supervised elections in 1993.

Among victims was [word indistinct]-day-old infant whose arm was torn off, said the embassy statement. Nguyen Van Ty, an official with the local Vietnamese residents' association, was among the victims, it added.

The embassy said the "barbarous massacre" was an attempt to harm friendly relations between Vietnam and Cambodia.

It called on the Cambodian Government for an immediate and effective inquiry, to bring the guilty to justice and prevent such killings occurring again.

Thousands of people have fled Cambodia over the past two years after the Khmer Rouge attacked ethnic Vietnamese, many of whom have lived in Cambodia for generations.

About 30,000 refugees are stranded in border provinces of Vietnam, unable to return to Cambodia, while another 5,000 to 6,000 are on the Cambodian side.

Indonesia

ASEAN Position at Hawaii APEC Forum Viewed BK0904150494 Jakarta SUARA PEMBARUAN in Indonesian 22 Mar 94 p 2

[Editorial: "APEC and Indonesia's Bargaining Power"]

[Text] It looks like the Asia Pacific Economic Cooperation (APEC) will be just a forum for consultations and exchanges of information, experience, and ideas on economic activities in the region. This was reflected in the ASEAN countries' economic vision at the end of the APEC finance ministers meeting at Kahala Hotel in Honolulu, Hawaii 16 to 18 March. The APEC forum was also attended by ASEAN finance ministers. Indonesian Finance Minister Mari'e Muhammad told newsmen that ASEAN member countries remain committed to strengthening their own formal regional cooperation. He said that the ASEAN finance ministers discussed not only issues concerning APEC, but also ASEAN's financial needs.

However, developing countries like Indonesia had a stronger bargaining power at the limited APEC forum. According to Dr. Budiono, a member of the Indonesian delegation, Indonesia's and Malaysia's views had a strong bearing at the APEC forum, but their views are not likely to have any influence in international forums such as GATT meetings.

The APEC finance ministers meeting in Honolulu, which was a follow up to the summit held in Seattle in November 1993, was actually an informal meeting for participants to exchange ideas and information. A similar ministerial-level meeting will be held in Indonesia this year.

One of the causes that led to the formation of APEC several years ago was the doubt that the impasse in the Uruguay Round of multilateral trade negotiations could be broken. Now that the Uruguay Round has reached a successful conclusion, APEC hopes that the agreements reached at the Uruguay Round of GATT trade talks will be observed and implemented.

The APEC forum hopes that various kinds of protectionism imposed on goods will be lessened, considering that the international market is now moving towards trade liberalization in line with the agreements concluded at the GATT talks. Any form of protectionism imposed on Indonesian goods will increase their production costs and this will in turn weaken their competitiveness in the international market. Currently, almost all countries are racing to step up the competitiveness of their goods as a means of wooing foreign investment. For this, they prefer to reduce complicated bureaucratic procedures because they will turn away investors as well.

Indonesia could take advantage of the APEC finance ministers forum so that the rules governing foreign investment in the country will be observed by member

countries. Even though it is difficult to impose sanctions against the countries that violate the rules, those belonging to APEC are still bound to respect them.

The trade dispute between the United States and Japan and their different economic interests also highlighted the APEC forum in Hawaii. It is common knowledge that the two countries contribute 80 percent of the total industrial waste found in this region, while their export products dominate more than half of the world trade.

In this regard, will the continued economic dispute between the United States and Japan make APEC less significant? Indonesia could have played a mediator's role at the recent APEC forum. However, it appears that this is not going to be an easy task because the two conflicting parties are still sticking strongly to their stance on world trade and it is difficult to help them reach a consensus.

It seems that we still need time before reaching regional cooperation on the basis of a need for a coalition to renew the trading system and promote multilateral economic cooperation in the Asia-Pacific region. The term "Pacific Age" has long been mentioned in articles and reports written by academics as an attempt to show that the world center is shifting from the Atlantic to the Asia-Pacific region.

However, in reality, attention to the implications of the global economy, which is marked by increasingly stiff competition and protectionism, has lessened the need to institutionalize the APEC forum. Therefore, it is better to take a more realistic approach to respecting the diversity of the region.

Foreign Minister Leaves for New York Conference

BK1004131794 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 10 Apr 94

[Text] Foreign Minister Ali Alatas today left for New York to attend a conference on Indonesia, the United States, and the world to be held from 13 to 15 April 1994. Irawan Abidin, director general of foreign information of the Department of Foreign Affairs, said Minister Ali Alatas will deliver a keynote paper on global political developments during the conference. Besides Ali Alatas, the conference will also be addressed by Indonesian Ambassador to the United States Arifin Siregar, U.S. Ambassador to Indonesia Robert L. Barry, and Thomas Hubbard, U.S. deputy assistant secretary of state for East Asian and Pacific Affairs. The annual conference organized by the Asia Society will also be held in Houston, Los Angeles, and Seattle.

Official on Resignation of Japan's Hosokawa

BK0804163294 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 8 Apr 94

[Text] The government hopes that Japanese Prime Minister Morihiro Hosokawa's resignation today will not affect Indonesia-Japan bilateral relations, especially in

trade and economic fields. Speaking in Jakarta today, Irawan Abidin, director of foreign information service of the Foreign Affairs Department, said the Indonesian Government is closely monitoring political developments in Japan and hopes that the Japanese prime minister's resignation will not affect existing cordial relations between the two countries.

Speaking on a separate occasion, Sabam Sirait, a member of parliament, said Hosokawa's resignation will provide an opportunity for Japan's Liberal Democratic Party [LDP] to stage a comeback and assume the country's premiership which the party lost in the last general elections. Sabam Sirait noted that factional power struggle within the LDP may still continue if the party regains the premiership. However, he believes Indonesia is not expected to suffer the consequences of such a scenario.

Suharto Chairs Cabinet's Economic Meeting

BK1104101194 Jakarta THE JAKARTA POST in English 7 Apr 94, 1

[Excerpts] Jakarta (JP)—For the first time in 10 years Indonesia's non-oil exports have declined, rising concerns in a cabinet meeting on economy at the Bina Graha Presidential Office here yesterday.

"President Suharto ordered related ministers to study the causes of the decline in non-oil exports in January and learn why the changes in demand were taking place." Minister of Information Harmoko made this announcement after a limited cabinet meeting on economy.

Harmoko said that Indonesia's export of non-oil products fell by 11.7 percent to US\$1.89 billion in January from \$2.14 billion in the same month of 1993, while export of oil and gas declined by 10.9 percent to \$763 million from \$856.31 million.

Indonesia, however, enjoyed a trade surplus of \$597.2 million in January despite of the export decline, he said.

The January imports fell by 3.9 percent to \$2.05 billion from \$2.14 billion in the same month last year.

The country's exports have already fallen by 4.9 percent to \$3.19 billion last December from a year before due to a sharp decline in oil prices on the world market.

"The government will soon take concrete measures to boost the country's non-oil exports," Harmoko said. [passage omitted]

Harmoko said that the cabinet meeting also dealt with inflation which fell to 0.7 percent last month from 1.76 percent in February and 1.25 percent in January.

"The inflation of 3.71 percent in the first three months of this year is far lower than 6.44 percent in the same period of last year," he said.

According to the government, the high inflation rate in the first quarter of last year was caused by increases in fuel prices, electricity billing rates and transportation fares, while the high rate in the January-March period was caused mainly by floods and increasing demand for goods prior to last month's 'id al-fitr holiday.

The government, under its State Policy Guidelines, is committed to keeping the rate of inflation to a maximum of five percent per annum.

The information minister said that last month's inflation was caused by increases of food prices in the capitals of the country's 27 provinces by an average of 1.6 percent. The prices of housing increased by only 0.07 percent and other goods and services by 0.04 percent.

Even though the food prices rose by an average of 1.6 percent, The prices of rice fell by an average of 2.44 percent to Rp [rupiah] 609.29 (28.4 U.S. cents) per kilo last month from Rp 624.58 in February due to the start of the harvest season in the country, he said.

He said the money supply increased by 8.9 percent to Rp 40.35 trillion as of January from Rp 37.03 trillion as of last December.

Harmoko said the meeting also discussed the damages of rice and secondary crops caused by floods in Java, Sumatera, Sulawesi and West Nusa Tenggara.

"The president wants a delay for the repayment of credits by farmers whose crops have been damaged by floods," he said.

Laos

Fourth Joint Lao-U.S. MIA Operation Reported

BK1004104094 Vientiane Vithayou Hengsat Radio Network in Lao 0000 GMT 10 Apr 94

[“Press release” issued “early this week” by Lao-American Joint Technical Team]

[Text] Implementing the humanitarian policy of Lao People's Democratic Republic [LPDR] Government, between 9 March and 3 April 1993, the Lao-American Joint Technical Team jointly carried out an operation in Houa Phan and Xieng Khouang provinces. During the joint operation, technicians from both sides conducted excavations at four points: points 0079 and 0690 in Viangsai District, Houa Phan Province, and point 1452 in Kham District and point 1482 in Pek District, Xieng Khouang Province. In addition to the excavations, the technical team investigated 23 plane crash cases in various districts in these two provinces.

Along with the site surveys and excavations, Lao technicians led their U.S. counterparts to find out about American nationals whom the U.S. side believes to be still alive in Viangsai District and Phoupha area, Houa Phan Province, and at Ban village and Het District,

Xieng Khouang Province. The investigation was made at the request of the U.S. side, and is aimed at helping the families of American MIA's and the U.S. Government answer questions about whether there are still Americans alive in the LPDR.

NBC and ABC television reporters accompanied the technical team during these joint operations to collect news and observe the cooperation between the two sides.

This is the fourth joint Lao-U.S. operation carried out in the 1994 fiscal year. The results of this operation has been considerably good. The U.S. has highly appraised the achievements of the operation. It has also expressed its appreciation to the Lao Government and people for their good cooperation and flexibility, despite the fact that up to this fiscal year the U.S. has not given any humanitarian aid to Laos, which has all along fulfilled its obligations effectively.

More Reportage on Thai King, Queen's Visit

Thai King Visits Orphanage

BK1104112994 Vientiane KPL in English 0922 GMT 11 Apr 94

[Excerpts] Vientiane, April 11 (KPL)—King Phumiphon Adunyadet, Queen Sirikit and HRH [Her Royal Highness] Princess Maha Chakkri Sirinthon of Thailand, while paying an official visit to the Lao PDR [Lao People's Democratic Republic], granted an audience to the Lao Prime Minister Khamtai Siphandon and his wife at the Presidential Palace here.

In an atmosphere filled with friendship, the King of Thailand expressed his satisfaction over the good result of the official visit to Laos by the royal couple which he said had contributed to the strengthening and development of the ties of friendship between the two neighbouring countries.

After the audience with the Thai royal couple, at 10:30 hrs, Prime Minister Khamtai Siphandon and his wife invited King Phumiphon Adunyadet, Queen Sirikit and HRH. Princess Sirinthon to visit That Luang Stupa. Accompanying the Thai King to visit one of the most revered temple of Lao buddhists were Thai Prime Minister Chuan Likphai, Mr. Osakan Thammatheva, minister of information and culture, Mr. Phao Bounnaphon, minister to the Prime Minister's Office, Mr. Boun-gnang Volachit, mayor of Vientiane.

At That Luang, the Thai King and Queen and the royal entourage were welcomed by a big throng of well-wishers. [passage omitted on royal couple's activities at That Luang]

The king showed keen interest in the rehabilitation of Buddhist temples in the country, educational institutions for Buddhist monks and the civic and religious role and activities of Buddhist monks in the country.

At 11 am of their last day in Laos, the Thai royal couple and their entourage travelled by cars to the project for the promotion of the orphanage of Vientiane province, situated at km 67 on the road 11 north.

Accompanied the Thai King and Queen were Prime Minister Khamtai Siphandon and his wife and Thai Prime Minister Chuan Likphai, Lao Foreign Minister Somsavat Lengsavat, Thai Foreign Minister Prasong Sunsiri and other high ranking officials from both sides.

President Hosts Banquet

*BK1104113594 Vientiane KPL in English 0919 GMT
11 Apr 94*

[Text] Vientiane, April 11 (KPL)—President Nouhak Phoumsavan with his wife on April 8 evening hosted a banquet in honour of Their Majesties King Phumiphon Adunyadet and Queen Sirikit of Thailand, during their first ever visit to Laos.

Among distinguished guests present at the banquet were Lao Prime Minister Khamtai Siphandon, Thai Prime Minister Chuan Likphai, Lao National Assembly President Saman Vi-gnaket, Lao Foreign Minister Somsavat Lengsavat, Thai Foreign Minister Prasong Sunsiri, and other ministers of Laos and Thailand.

The Lao president and the King of Thailand at the banquet exchanged speeches of great significance for the relationship and cooperation between the two neighbouring countries, Laos and Thailand.

After the reception, President Nouhak Phoumsavan invited the king with the queen to watch the art performances organised at the National Assembly Audience Hall by the Ministry of Information and Culture.

Development Center Opened

*BK0904112194 Vientiane KPL in English 0728 GMT
9 Apr 94*

[Text] Vientiane, April 9 (KPL)—Their Majesties King Phumiphon Adunyadet and Queen Sirikit with Her Royal Highness Princess Maha Chakkri Sirinthon yesterday afternoon visited the km 22 Agricultural Development and Service Center, the project established under the patronage of the King of Thailand, where the king and President Nouhak Phoumsavanh jointly performed the opening of the center.

Also present at the ceremony were Thai Prime Minister Chuan Likphai and Thai ministers who joined the king in his visit to Laos, and several Lao ministers and senior officials.

Located at km 22 on Luang Prabang Road, Vientiane Prefecture, the agricultural development center was established under the financial support of the king of Thailand.

On arrival at the center, Thai Prime Minister Chuan Likphai in his capacity as president of the project coordination committee made a report to the king on the background of this project.

Lao Foreign Minister Somsavat Lengsavat, responsible for the implementation of the project on the Lao side, then presented a report on the implementation of this project. He said that the king of Thailand had agreed with the Lao PDR [People's Democratic Republic] to jointly build this center as a commemorative establishment for the late President Kaysone Phomvihan and as a symbol of the neighbourly friendship between the people of Laos and Thailand.

He said, in this project the Lao Government had allocated a 274 million kip input, and the work started with survey and economic feasibility study on an area of 52 hectares to be covered by the project, which was followed by the installation of a power supply system to serve the center and people of Na-gnang.

A four-kilometer road from road 13 north to the center was repaired and asphalted, a club house was built and equipped with water supply system, and an irrigation weir was built on Houai Son Tai, able to irrigate about 200 hectares during the rainy season and six hectares in the dry season. In addition, a survey of forest areas on the nearby Phou Phanang mountain was made. The government has already made it a forest reserve.

He said along with the infrastructure construction, the project had promoted the production among the local people living in the vicinity of the center. A new rice variety and the rice growing technique were introduced in 1993 at the irrigation area. Experiment was made on creating model families of farmers in cultivation and livestock at Ban Na-gnang, Ban Nason, and Ban Nam Kiang. Cattle vaccination was carried out and cattle epidemic preventive methods were introduced to the people at five villages nearby the center. He said that less than one year later, the area around the center had a new improved image.

Speaking on the occasion King Phumiphon Adunyadet of Thailand said: The queen and I feel very pleased and greatly honoured to have been invited to pay an official visit to the Lao People's Democratic Republic on this occasion when we have participated at the opening ceremony of the Friendship Bridge.

The king said that the welcome his party received made him feel that he was among good friends who were most familiar with each other as well as understand one another very well dating back into the distant past.

The king said to this effect: In reality the Lao and Thai peoples have long enjoyed friendly ties going into the centuries. The relationship between our two peoples and states are so closely intertwined that they cannot be separated. This is because we are neighbouring countries with both our peoples being Buddhists and having similar kinds of customs, traditions and cultures, to such a

point that our two nations have a well-known reputation of being close relatives. Such intimate and long-establishment and promotion of diplomatic relations as well as for the carrying out of joint projects between the Kingdom of Thailand and the Lao People's Democratic Republic, which today have met with satisfactory results. [sentence as received]

"The Thai people have watched and followed with great interest the development in various fields of endeavours in the Lao People's Democratic Republic. Thus, we are highly pleased and gratified to have witnessed that in the last decade the country has been able to preserve in good order her national integrity and characteristics as well as maintain every feature of her national livelihood. Furthermore, she has been able to further develop and improve herself for greater prosperity and advancement. Such prosperity and security will not only result in the benefits and happiness for the people of your country, but will also play an important role in the establishment of peace and security for all nations in this region of the world. I am, therefore, pleased to be able to state most clearly that under the wise and circumspect guidance (of the Lao leaders) as well as the able administration of the Lao Government, the Lao People's Democratic Republic will continue to make progress towards the achievement of full prosperity and happiness".

After planting a commemorative tree at the center, the king and the queen with President Nouhak Phoumsavan visited the area around the Houai Son irrigation. After that, the king and the queen together with the princess returned to Vientiane.

Thai King Ends Visit

BK0904141494 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 9 Apr 94

[Text] His Majesty King Phumiphon Adunyadet the Great, Her Majesty Queen Sirikit, and Her Royal Highness [H.R.H.] Princess Maha Chakkri Sirinthon, of the Kingdom of Thailand concluded their visit to Laos and departed for Bangkok this evening.

After completing their two-day official friendship visit to the Lao People's Democratic Republic [LPDR] at the invitation of His Excellency [H.E.] Nouhak Phoumsavan, president of the LPDR. Their Majesties King Phumiphon Adunyadet, the Great, and Queen Sirikit, and H.R.H. Princess Maha Chakkri Sirinthon at 1800 this evening boarded a special plane at the Wattai International Airport in Vientiane to return to Bangkok, capital of the Kingdom of Thailand.

The seeing-off ceremony for the Thai king, queen, and princess was honorably held at the Presidential Palace. It was attended by H.E. President Nouhak Phoumsavan and his wife, H.E. Prime Minister Khamtai Siphandon and his wife, ministers and deputy ministers, high-ranking officials from various sectors, as well as representatives of the residents of Vientiane.

SRV Delegation Concludes Visit; Departs

BK0904110494 Vientiane KPL in English 0750 GMT 9 Apr 94

[Text] Vientiane, April 9 (KPL)—Mr. Phan Van Khai, deputy prime minister, president of the Vietnamese-Lao Cooperation Commission, on April 7, left here ending his official visit to Laos.

During the delegation's stay in Laos, it attended the 16th session of the committee for cooperation in economic, culture, science, and technology between Laos and Vietnam. Heading the Lao side at the meeting was Mr. Khamphoui Keoboualapha, deputy prime minister and president of the Committee for Planning and Cooperation. The sides reviewed the 1994 cooperation program. The delegation also visited some sites of economic development projects including the construction of Road No.13 North undertaken by a Vietnamese company. Mr. Phan Van Khai also visited northern Luang Prabang province.

Seeing the delegation off at the airport were Mr. Sisavat Keobounphan, minister of agriculture and forestry, Mr. Bui Van Thanh, Vietnamese ambassador to Laos.

Memorandum Signed With SRV National Assembly

BK1004132694 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 10 Apr 94

[Text] Yesterday morning, 9 April, Comrade Saman Vi-gnaket, Political Bureau member of the Party Central Committee and chairman of the National Assembly, received at the National Assembly Hall in Vientiane a courtesy call from a delegation from the Office of the SRV National Assembly led by Comrade Vu Mao, member of the Communist Party of Vietnam Central Committee and head of the Standing Committee and the SRV National Assembly office. The SRV delegation is currently on an official visit to Laos scheduled from 3 to 10 April.

On this occasion, Comrade Vu Mao informed Comrade Saman Vi-gnaket of the SRV National Assembly delegation's activities during its visit. He said: His delegation was accorded a warm, friendly welcome by comrade members of the National Assembly and by the people at various places in the Lao People's Democratic Republic [LPDR], such as in Vientiane and Luang Prabang provinces, and at economic and cultural establishments it visited. Comrade Vu Mao also took the occasion to convey best regards from Comrade Nong Duc Manh, chairman of the SRV National Assembly, to Comrade Saman Vi-gnaket, chairman of the LPDR National Assembly.

Comrade National Assembly Chairman Saman Vi-gnaket highly assessed the visit to Laos by the SRV National Assembly office delegation. He said the visit will positively help strengthen, promote, and expand the

immediate and long-term friendly bilateral relations and cooperation as well as that between the two national legislative organizations.

On the morning of the same day, before calling on Comrade Saman Vi-gnaket, Comrade Vu Mao and Comrade Chaleun Yiapaoheu, member of the Party Central Committee, member of the Standing Committee, head of the Secretariat Subcommittee and head of Office of the LPDR National Assembly, jointly signed a memorandum on immediate and long-term technical cooperation between Office of the LPDR National Assembly and Office of the SRV National Assembly. The ceremony was held in the presence of Comrade Khambou Sounisai, member of the Party Central Committee and vice chairman of the National Assembly; Comrade Bui Van Thanh, ambassador extraordinary and plenipotentiary of the SRV to the LPDR; and many high-ranking cadres from both sides.

Thailand

Editorial Urges Demand for U.S. Gun Control

BK1104015994 Bangkok *THE NATION* in English 11
Apr 94 p A6

[Editorial: "Asia should pressure US to impose gun control"]

[Text] As the Marrakech talks on the General Agreement on Tariffs and Trade (Gatt) approach, developing countries are becoming increasingly anxious. Many of their governments, including Thailand's, fear the negotiations and the planned creation of a World Trade Organization (WTO) will be used to pressure them into adopting labour, human rights and environmental standards they consider inappropriate.

Their main fear is that any such move will damage their economic competitiveness. Businesses in developing countries often depend on cheap labour and lax environmental and labour standards to keep their costs down, and their products cheap. They see the move by the West to impose higher standards as a sneaky way to protect its own industries.

They have a point. Protectionism is on the rise in the developed world. But this is not the entire story.

National sovereignty

Many consumers in the West are genuinely concerned that they are purchasing products made at the expense of the environment or the health of indigenous people (although they like cheap products, too). In their own countries, they may have some say over how such matters are protected, but the origin of imported goods is usually a mystery. Hence another reason to push for stricter enforcement of regulations abroad.

Governments in developing countries have responded by complaining that their national sovereignty is being

impinged. But such talk will no longer do. "Free" trade is not really free, it comes with a price.

Businesses appear eager to have their cake and eat it, too. They want easy access to lucrative markets abroad but don't want to face up to the realities which closer trade links entail. Breaking down economic barriers inevitably means breaking down political and social ones, too.

The European Union has recognized this. Its leaders realize that economic union cannot be carried out without some kind of political union. Nor would the North American Free Trade Agreement have passed in the US without the side agreements on labour and the environment.

With this in mind, we must all pay very close attention to how the World Trade Organization develops. As Gatt expands and deepens, the WTO could well form the beginnings of a kind of world government, one which could conceivably gain greater powers than the United Nations.

As it stands, the WTO is not terribly accountable. Its representatives are appointed by governments and bureaucrats. It should be democratized, perhaps by creating a sister organization whose members are elected directly by the people, as with the European Parliament.

Our government should certainly continue defending our right to make our own decisions. But sooner or later, all the countries which sign the Gatt—or any free trade agreement, including Afta [ASEAN Free Trade Area]—will have to realize that acceding to the treaty will mean sacrificing national sovereignty on some issues. If we don't like it, then we shouldn't sign.

Of course, compromise must cut both ways. The US may well be justified in demanding, say, that Japan and Norway halt their whaling activities or that China stop using prison labour. But we in Asia also have a right to examine America's internal affairs.

One point which stands out is the widespread availability of guns in the US. Many Americans seem to believe they have a God-given, or at least a constitutionally ordained, right to own a deadly weapon. Some might say this is their own business. But it affects us in Asia, too.

Japanese students

The latest instance was the case of two Japanese students gunned down in a Los Angeles [LA] parking lot. The incident created a public uproar in Japan, so much so the US ambassador felt the need to officially apologize on behalf of the United States government. The Japanese should consider themselves lucky; the US government rarely apologizes to governments of other foreigners gunned down in the States—although it did express regret when Thai monks were murdered in Arizona several years ago—much less to its own people for allowing weapons to be so easily available.

This is not the only way in which America's gun policy, or lack thereof, has affected foreigners. The gun used to assassinate Mexican presidential candidate Luis Donaldo Colosio was traced back to LA. Who knows how many guns are bought in the States and then exported for murder abroad? Defenders of the United States' liberal gun laws say that gun control won't work, that it will only affect law-abiding citizens. But that's because it has barely been tried. The US government is too easily swayed by powerful anti-gun-control lobbies. Asian countries would be doing Americans and the world a favour by pushing for stronger weapons laws in the States.

This is just one example to show that many issues are no longer simply national in scope, but made international with the advent of ever freer trade. Rather than fighting the trend towards greater regulatory cooperation, we should try to work with it.

Cambodian Soldiers Said Holding Thais for Ransom

BK1104031394 Bangkok BANGKOK POST in English 11 Apr 94 p 6

[Text] Sa Kaeo—Six Thais who crossed into the Cambodian town of Poipet, apparently unaware that the border was temporarily closed, were arrested by Cambodian soldiers yesterday. One of the six, who is a soldier, Pvt Damnoen Kaeodoeng, was freed by his captors and told to fetch 10,000 baht in exchange for the release of the other five.

The five were named as Phaibun Sawatdi, Sanit Hoibunloet, Sak Soemphun, Wanyer Phokhamon and Kiat (surname unknown). All work in Bangkok and had gone home to Sa Kaeo province for Songkran holidays.

Pvt Damnoen told police the group went to Poipet at 9 a.m. by walking across Mahod creek which had dried up. On their way back to Thailand, they were arrested by Cambodian forces.

Following the incident, Governor Kasem Chaisit ordered officials to warn Thais not to get close to or cross into Cambodia because of the safety problem in the wake of increased fighting inside Cambodia.

In another incident, one Thai villager was robbed by Cambodian bandits in Tambon Tha Kham of Aranya-prathet early yesterday. The police said at least three bandits pulled a rope across the Aranya-prathet-Khlong Namsai border road to trap passing motorcyclists. Sawant Boonto rode a motorbike past the site without seeing the rope and was flung off-balance. The bandits hit him on the head with a rifle butt and stole his bike and gold necklace.

Supreme Commander Plans Visit to Cambodia

BK1104111494 Bangkok MATICHON in Thai 11 Apr 94 p 2

[Text] Lieutenant General Anuson Kritsanaserani, director of the Supreme Command Information Office, disclosed that Supreme Commander Air Chief Marshal Woranat Aphichari will visit Cambodia this month to discuss with Cambodian military leaders problems that exist between the two countries. He said efforts had been made to arrange for a visit which, he believed, would enable the two parties to thrash out misunderstandings.

Commenting on a report that the Cambodian Government was planning to lodge a protest with the UN Security Council about Thailand's support for the Khmer Rouge, Lieutenant General Anuson said it is entitled to do so. The Thai military has no worries because it has facts to explain, but it prefers to leave the matter to the Foreign Ministry to handle.

Minister Urges 'Restraint' in Ties to Phnom Penh

BK0904110294 Bangkok THE NATION in English 9 Apr 94 p 6

[Text] Deputy Foreign Minister Surin Phitsuwan has called for restraint and understanding in relations with Cambodia, saying Thailand cannot respond to the daily accusations by Phnom Penh of its support for the Khmer Rouge.

The government should be firm and act maturely as the Cambodian allegations could be made for domestic gain or to resolve internal problems.

Surin's comments came amidst strong criticism by Cambodian leaders, who have repeatedly charged that Thailand has assisted the Khmer Rouge to launch offensives and sheltered the Maoist faction's leaders.

Cambodian Foreign Minister Prince Norodom Sirivut has threatened to take the matter to the UN Security Council. He also warned that bilateral relations between the two governments could be jeopardized.

Accusation of Support for Khmer Rouge Viewed

Leaders Comment on Charges

BK0804151594 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 8 Apr 94

[Text] Prime Minister Chuan Likphai said that the Cambodian foreign minister's accusation that Thailand supports the Khmer Rouge affects Thailand's image. The prime minister made these remarks when talking to reporters in Nong Khai Province. He said that he had instructed the Thai ambassador to Phnom Penh to seek facts and evidence in this regard.

Foreign Minister Squadron Leader Prasong Sunsiri said he regretted that the Cambodian leader made such an accusation because the two sides had agreed not to

publicly speak out against each other. The two sides agreed to solve problems through dialogue. He said that he would meet the Cambodian foreign minister soon to discuss this question.

Meanwhile, Defense Minister General Wichit Sukmak said Thailand has upheld humanitarian principles in assisting Cambodian displaced persons. He said that as the accusation has an impact on the country's reputation, Thailand will have to explain to the international community Thailand's policy of noninterference in Cambodia's internal affairs.

Foreign Ministry Denies Support

*BK0804143494 Bangkok Thai Color Television
Channel 9 in Thai 1200 GMT 8 Apr 94*

[Text] The Foreign Ministry issued a statement clarifying an accusation about Thailand supporting the Khmer Rouge. The statement says that Thailand would like to reject the accusation because Thailand has a firm policy of recognizing the elected Cambodian Government and noninterference in Cambodia's internal affairs by not providing any assistance to the Khmer Rouge. The Cambodian side should send evidence to the Thai side if it has any evidence to support the accusation. The Thai side is ready to take appropriate action in this regard. If Cambodia cannot solve its internal problems and accuses another country of supporting any particular faction, it is incorrect and inappropriate.

Daily Urges Investigation

BK1004110594 Bangkok THE SUNDAY POST in English 10 Apr 94 p 24

[Article by Phaisan Sicharatchanya under the rubric of "From The Editor's Desk": "Outbursts by Khmer Leaders Do Not Solve Bilateral Sore Point"]

[Text] Judging from their relentless criticisms of alleged Thai military assistance for the Khmer Rouge [KR], Cambodian government leaders must have harbored some deep ill feelings against Thailand. But the successive salvos of stinging attacks by Cambodian co-Prime Minister Prince Norodom Ranariddh and Deputy Prime Minister Prince Norodom Sirivut last week hardly served to address the crux of the problems.

By airing their grievances to the mass media, both Ranariddh and Sirivut must have hoped to drum up international pressures to force Thailand to terminate what they believe is continuous, clandestine Thai support for the outlawed guerrilla faction. But although they might have succeeded in re-focusing media attention on the subject, the crude tactics they adopted also achieved the counter-productive effect of souring the atmosphere of bilateral relations with Thailand.

Ranariddh kicked off the latest anti-Thailand barrage by claiming he possessed photographic evidence that showed Thai troops helped Pol Pot escape the recent

Cambodian government attack on Pailin. But he clarified his accusation a day later by explaining that he actually meant the Pol Potists—a reference to the Khmer Rouge—but not the guerrilla leader himself.

Since the said evidence was not made public, it wasn't clear whether Ranariddh was just bluffing. Indeed Ranariddh could contribute to improving relations by producing the evidence if it was really in his possession, so that this bilateral sore-point could be seriously addressed.

There are enough Thais in this country who do not condone clandestine support for the Khmer Rouge and would certainly question any such shady military practice. Given the persistent denials by the Army leadership of any such assistance, it would be bound to weed out undesirable elements stationed in the border areas which violate the policy that is, on the face of concrete evidence.

But the breach of diplomatic protocol committed by Sirivut was more disturbing. What on earth was he trying to achieve by publicizing this contentious issue in Kuala Lumpur aside from further aggravating an already strained atmosphere of bilateral ties with Thailand? Surely he could have been more discreet, especially since this is very much a Thai-Cambodian problem which can be resolved only by the two countries.

As a result of Prime Minister Chuan Likphai's recent visit to Cambodia, Bangkok and Phnom Penh were supposed to put into place a hotline to coordinate various bilateral problems of a serious and urgent nature. But judging from the surprised reactions by senior Thai officials, who claimed they have to verify wire-service reports to ascertain that both Ranariddh and Sirivut were not misquoted, it was apparent there was a breakdown of communications both through the normal diplomatic channels as well as the special hotline contact.

Notwithstanding the Cambodian leaders' undiplomatic outbursts, the deep-seeded resentment inherent in their latest accusations nonetheless call for serious attention and investigation by the Thai side. In essence, it would require a combination of policy adjustments and changes in attitude by both sides for relations to improve. Thailand and Cambodia are neighboring countries that have no other choice but forging at least a proper relationship of peaceful coexistence if not substantive political and economic ties.

With the embarrassing police discovery of a huge secret arsenal near the Thai-Cambodian border last December still fresh in our memory, the Thai Army cannot simply dismiss the latest Cambodian accusations outright. Army Commander Gen. Wimon Wongwanit should be believed and trusted when he says the Thai military does not support the Khmer Rouge. Indeed there is probably no such policy. But the conduct of certain military officers stationed at the border who enjoy longstanding connections and share certain vested interests with the Khmer Rouge is a different matter.

One alleged piece of 'evidence' warranting investigation is an undated photograph found in Pailin and released by AFP which purportedly shows senior Khmer Rouge commanders and Pailin chief Kim Chean toasting out-of-uniform Thai soldiers at an undisclosed Khmer Rouge headquarters in western Cambodia. Are those identified as Thai soldiers really Thai soldiers? That should be easy enough for the army to find out.

The Thai civilian and military leaderships have the collective task to weed out whatever wayward elements stationed on the border areas which collude with the Khmer Rouge. It is the conduct of these elements that presents the bone of contention with Cambodia and casts Thailand in a poor light internationally. Persistent accusations of complicity by some officers in the gems and timber trade with the Khmer Rouge must be investigated and those found to do so eliminated. Otherwise, the mistrust of the Thai military will not be mollified.

Cambodian Civilians Ready To Flee Across Border

BK0904094494 Bangkok BANGKOK POST in English 9 Apr 94 p 6

[Text] Aranyaprathet—Khmer Rouge guerrillas have seized several outposts of Cambodian government forces in Thmar Puok district of Banteay Meanchey Province since they launched attacks on Thursday.

Thai military sources claimed the guerrillas had driven Phnom Penh forces out of their outposts in Banteay Chhma, Kok Khieu, Kauk Mon, Toek Lesor, Phum Totoek and Phum Soeng. The guerrillas were poised to attack Thmar Puok township, the sources said.

Retreating elements of the Phnom Penh's 3rd and 7th divisions are regrouping and are waiting for reinforcements from Banteay Meanchey.

The outbreak of fighting had caused 5,000 Cambodian civilians to pack up in preparation to flee across the border to Thailand's Ta Phraya district if the fighting intensified, the sources said.

Prasong, PRC Minister Discuss Regional Issues

BK0804134894 Bangkok XING XIAN RIBAO in Chinese 5 Apr 94 p 2

[Text] China does not want the disputes over the sovereignty of the Spratly islands, a "hot issue" for this region, to be included in the agenda of the upcoming ASEAN Regional Forum [ARF] to be held in Bangkok on 25 July. Instead, it hopes participants will discuss how to establish mutual trust at the meeting.

Chinese Vice Foreign Minister Tang Jiaxuan made the above remarks during his meeting with Thai senior foreign ministry officials in Bangkok yesterday.

Foreign Ministers of the six ASEAN countries, their seven dialogue partners, and observer nations—

Vietnam, Laos, and Papua New Guinea—as well as China and Russia will attend the ARF meeting to discuss regional political and security cooperation issues.

Six countries including China, Taiwan, Vietnam, the Philippines, Brunei, and Malaysia claim sovereignty over the Spratly islands.

Tang Jiaxuan and his delegation arrived in Bangkok late Monday night for a week-long visit to three ASEAN countries—Thailand, Malaysia, and Brunei—to discuss bilateral relations and issues of common concern.

An informed diplomatic source said during Tang Jiaxuan's visit to Malaysia from 5 to 7 April and to Brunei from 7 to 9 April, that he will exchange views on the Spratly issue with Malaysian and Bruneian officials.

During his meeting with Tang Jiaxuan yesterday, Foreign Minister Prasong Sunsinri assured the Chinese side that Thailand will uphold the "one-China" policy. He said Thailand will not invite Taiwan to attend the upcoming ARF meeting in Bangkok. So, China should not worry about a report that Taiwan would join the ARF meeting. China had protested when Taiwan President Li Teng-hui made a "holiday diplomacy" visit to Thailand during the Chinese New Year.

The informed source also told our correspondent that a delegation of the Chinese National People's Congress Foreign Affairs Committee led by its chairman, Zhu Liang, will visit Thailand from 15 to 21 April as guests of the House Foreign Affairs Committee. The delegation postponed its visit to Thailand as a result of Li Teng-hui's visit.

Zhu Liang, age 70, is a native of Chaoyang, Guangdong Province. He led a delegation to visit Thailand in March 1989 when he was director of the International Liaison Department of the CPC Central Committee. His former name was Zhou Zhiyi. He has relatives in Thailand.

Prasong told Tang Jiaxuan that China is an important consultative partner of ASEAN. ASEAN and China will discuss ways to strengthen bilateral trade and scientific cooperation during the 27th Annual ASEAN Foreign Ministerial Meeting in Bangkok in July.

During the meeting, Tang Jiaxuan welcomed Thailand's decision to invite Burma to attend the upcoming annual ASEAN ministerial meeting as a guest of the host country. Prasong will lead a delegation to visit Burma in mid-April.

Tang Jiaxuan told Thai officials that Cambodian King Prince Norodom Sihanouk has recovered and was full of vigor after a period of recuperation in Beijing. Regarding problems in Cambodia, China hopes that all Cambodian factions will follow Prince Norodom Sihanouk's instruction and achieve national reconciliation.

Regarding the Korean peninsula situation, Tang Jiaxuan said China wanted to see a nuclear free zone in the Korean peninsula. He also said that China did not want

to see any economic sanctions against North Korea. China hopes that all parties concerned will settle the Korean issue through dialogue.

Tang Jiaxuan said that he knew nothing about a report from Seoul that China will send a delegation to Pyongyang to discuss the Korean nuclear issue.

Discussing bilateral issues, the Thai and Chinese officials expressed their satisfaction over their cooperation in all fields and the exchanges of visits in the past 19 years after the establishment of diplomatic relations. The two sides agreed to further strengthen bilateral cooperation in trade, tourism, and science and technology. The Thai side hoped that Chinese President Jiang Zemin will pay an official visit to Thailand this year.

The Buddhist relics preserved in Chinese ancient capital Xian, will be shipped to Bangkok to be exhibited on the occasion of the birthday of His Majesty King Bhumibol on 5 December this year. The Thai side hoped that this exhibition can be extended till the auspicious 50th anniversary of the present reign of His Majesty the King.

Keating Ends Bangkok Visit, Leaves for Vietnam

*BK1004121094 Melbourne Radio Australia in English
0500 GMT 10 Apr 94*

[Text] Australia's prime minister Paul Keating has rejected a call to highlight the role of Australian war veterans during his visit to Vietnam. In Thailand yesterday, Mr. Keating visited the graves of Australians who died working on the Thai-Burma railway during the second world war. National Party leader Tim Fisher has now urged Mr. Keating to make a similar gesture in Vietnam. However, as political correspondent Graeme Well reports, Mr. Keating said he'll be keeping the focus of his visit to economic development.

[Begin recording] [Well] Human rights is a sensitive issue for Vietnam and Mr. Keating is expected to raise it. He said an Australian delegation will be visiting Vietnam to assess human rights. But before leaving Bangkok for Hanoi, Mr. Keating played the issue down.

[Keating] There is no one particular matter that comes to my mind at the moment. So are we engaging the... [pause] I mean... I think the important thing about the visit to Vietnam is that I'll be the first Australian prime minister to have gone there....

[Well] Mr. Keating says he wants to make certain Australia is involved in Vietnam's development. [end recording]

Russian Diplomat Still Missing; Believed Abroad

*BK0904104594 Bangkok BANGKOK POST in English
9 Apr 94 p 6*

[Text] The missing third secretary of the Russian Embassy, Igor Makeyev, is reportedly no longer in Thailand but police do not know where he is taking refuge,

Deputy Police Director General Pol. Gen. [Police General] Phong-ammat Amattayakun said yesterday.

He said that police had unearthed no trace of Mr Makeyev's whereabouts.

He also insisted that Immigration Department officials could not find any record of the Russian diplomat having left the country.

Pol. Gen. Phong-ammat said Mr Makeyev's name did not appear on the list of foreigners who had passed through Thailand's Immigration checkpoints.

A report from Russia's Tass news agency said Mr Makeyev had emerged in the United States but other details were not available.

Meanwhile immigration officials at Don Muang airport said they would stop issuing visas to the citizens of certain nations who apply for entry visas at Don Muang, but refused to name the countries.

A high-ranking official said the measures were designed to prevent some ill-intentioned foreigners from carrying out acts of sabotage in Thailand.

Pol. Gen. Phong-ammat said Thailand last year had relaxed the process of issuing visas at Don Muang airport to promote tourism but this would have to change in line with the world situation.

Prasong, Philippines' Romulo Discuss ASEAN

*BK1004131194 Bangkok Radio Thailand Network in
Thai 0530 GMT 10 Apr 94*

[Text] Thailand will invite Burma to attend the ASEAN foreign ministers' meeting scheduled for July in Bangkok. Foreign Minister Squadron Leader Prasong Sunsiri told reporters at a briefing about his discussions with the Philippines foreign minister at the Sukhothai Hotel this morning. He said the Philippines foreign minister reported about his visit to Burma and meeting with high-level Burmese leaders. The Philippines minister noted a considerable change in Burma. He told Prasong that the Philippines had no objection to Thailand's plan to invite Burma to attend the coming ASEAN foreign ministers' meeting in July.

[Begin Prasong recording] He has visited Burma and I have just been back from Laos, so we made an appointment to meet this morning. He told me about his visit to Burma. He believes Burma has changed a lot. He said he met high-level Burmese leaders who informed him of changes in Burma and their determination to solve internal economic, social, and political problems. Burma hoped its constitution drafting would be completed soon and a general election be held. The Philippines minister also told me that his country had no objection to Thailand's plan to invite Burma to attend the ASEAN meeting in Bangkok in July. We also exchanged views on Cambodia. I briefed the Philippines about the general

situation, and I also told him about our refugee policy, which is that we have no policy to take in more of them. [end recording]

Uthai, PRC Officials Discuss Trade Cooperation

BK1004125094 Bangkok XIN ZHONG YUAN RIBAO in Chinese 9 Apr 94 p 15

[Text] Commerce Minister Uthai Phimchaichon received Feng Zhicheng, managing director of the China International Trade Center; Li Hetian; and Zhang Liexiong at the Landmark Hotel on Sukhumvit Road yesterday morning. The three Chinese officials are in Bangkok to attend an Asia-Pacific meeting. During the talks, the two sides exchanged views on efforts to strengthen friendly cooperation between Thailand and China and to expand bilateral trade relations.

Commerce Minister Uthai said that during his recent visit to China, he was very happy to see the great progress made during the past 10 years. This was his third visit to China since he paid his first visit 10 years ago. He said that China has made rapid progress and achieved fast economic development and that Thailand and China should expand direct economic and trade cooperation.

Uthai said that China is a big market. Currently, China imports Thai fruits through Hong Kong. But communications are easier now and there are direct flights between the two countries. Thai mangos, durians, papayas, and pomelos can be exported to China through direct air links.

Uthai said that he will attend an international trade meeting in Mexico in a few days and will meet Wu Yi, Chinese minister of foreign trade and economic cooperation, to discuss ways to strengthen bilateral trade.

Feng Zhicheng said that he would convey Uthai's message to the Chinese minister when he returns home.

Minister Affirms Liberalization of Banking Sector

BK1104024094 Bangkok THAILAND TIMES in English 11 Apr 94 p B1

[Text] Bangkok—Thailand has affirmed the liberalization of the kingdom's money market, but there will be some limitation on foreign banks operating as Bangkok International Banking Facilities [BIBF], said Tharin Nimmanhemin, Finance Minister.

Tharin said he will affirm the proposals at the coming GATT meeting to be held in Morocco on April 12-15. Foreign banks will be allowed to open only 5 branches in 1997 as BIBFs in Thailand, Tharin said. Tharin said the GATT talk will seek agreement on trade issues which could not be resolved in the last meeting. He said as a representative of Thailand he will confirm the same proposals which were raised in the last GATT meeting. The minister disclosed Thailand will allow some part of the monetary market to be open to foreign banks.

Tharin said Thailand will allow foreign banks to open only five branches to conduct BIBF business in the country within 1997 and will specify the commercial banks which will benefit Thailand most.

Apart from that, the Finance Ministry will consider the relaxation of some regulations used for foreign commercial banks, such as the regulations for services.

For instance, foreign commercial banks will be allowed to install ATMs, and given the right to form joint-ventures with Thai companies in the businesses of financial and securities companies.

"I believe that we will be the one country to propose the free monetary market most at the GATT meeting in Morocco and the proposals are larger than the limitation of GATT on the issue," Tharin said.

Vietnam

Summit Meeting With Australia Held in Hanoi

Prime Minister Keating Arrives

BK1004130694 Melbourne Radio Australia in English 1100 GMT 10 Apr 94

[Text] Australia's prime minister, Paul Keating, has arrived in Vietnam for last stop on an Asian tour which has also included Laos and Thailand. Mr. Keating is the first Australian leader to visit Hanoi. Tomorrow, he will hold talks with top Vietnamese leaders including President Le Duc Anh, the Communist Party General Secretary Doi Muoi, and the Prime Minister Vo Van Kiet.

Australian officials say Mr. Keating will take a low-key approach to human rights issues despite calls for a strong statement from Vietnamese Buddhist group and some Australian parliamentarians. The officials say they hope Vietnamese officials will finalize arrangement for an Australian parliamentary human rights delegation to visit Vietnam later this year, but diplomats say the visit will concentrate on expanding economic links with Vietnam. Australia is currently the third largest investor in Vietnam taking \$620 million [currency not further specified], mostly for oil and telecommunications projects. Two-way trade last year was worth \$366 million with Vietnam running up a \$136 million surplus through crude oil sales to Australia.

Australia's Prime Minister Paul Keating has spent his first afternoon in Vietnam sightseeing in Hanoi. The formal part of the visit will begin in the morning with an official welcome before beginning talks with Vietnamese leaders. Graeme Well reports Mr. Keating's main purpose in going to Vietnam is to assess the potential for economic development and what further role Australia can play.

[Begin recording] [Well] Mr. Keating says Vietnam has a great opportunity to develop and he believes Australia can help make a difference in areas like aid programs,

education, social policies, and commerce. Responding to a call for him to change his itinerary to acknowledge Australians who died in the Vietnam War, Mr. Keating said he does not discriminate in commemorating Australia's war dead. He repeated comments he made last year at the opening of the Vietnam Memorial in Canberra.

[Keating in progress] ...[Words indistinct] same faith in Australia and the same belief in our values as every other service person did in other (?theaters) of the war. But again.... This in Hanoi and, really, in places I am visiting there is no natural opportunity as there was in Thailand. [end recording]

Keating Formally Welcomed

*BK1104055294 Melbourne Radio Australia in English
0500 GMT 11 Apr 94*

[Text] Australia's prime minister, Paul Keating, has been formally welcomed to Vietnam in a ceremony at the Presidential Palace in Hanoi. Graeme Well reports Mr. Keating has a busy round of talks and engagements.

[Begin Well recording] Mr. Keating is in Vietnam at the invitation of Prime Minister Vo Van Kiet, who was in Canberra last year. Their talks will cover Vietnam's economic development, Australian aid, human rights, and regional issues, including security. Mr. Keating also hopes to see Communist Party General Secretary Do Muoi today. He will be meeting members of the Australian business community. Australia is the fifth largest investor in Vietnam and Mr. Keating will also visit the Institute of Ophthalmology, where the Fred Hollows Foundation and Australian Government aid is helping the training of surgeons. [end recording]

Holds Talks With Vo Van Kiet

BK1104143194 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 11 Apr 94

[Text] Immediately after the official ceremony held at the Presidential Palace in Hanoi to welcome visiting Australian Prime Minister Paul Keating, Prime Minister Vo Van Kiet expressed his delight in welcoming his Australian counterpart in Vietnam, considering this a new development in the relations of friendship and cooperation between the two countries. Prime Minister Vo Van Kiet wished Prime Minister Paul Keating success in his visit, thereby significantly contributing to strengthening the Vietnam-Australia relations.

In his reply, Prime Minister Paul Keating said: Vietnam has scored new, significant progress in various aspects, and I wish to see this during my visit. On this basis, the Australian Government will find ways and means to help Vietnam to develop its economy and participate in other activities in the region. We understand the significance of this historical visit, and we will do our best to strengthen the relations of friendship and cooperation between our two nations.

Dear friends, this morning the SRV Government delegation, led by Prime Minister Vo Van Kiet, held talks with the Australian Government delegation led by Prime Minister Paul Keating.

At the talks, both sides informed each other of the situation in their respective countries and about issues of mutual concern, reviewed cooperation during the past period, and frankly exchanged views on various issues aimed at improving Vietnam-Australia cooperation.

This afternoon, Prime Minister Paul Keating and his entourage visited the Central Institute of Ophthalmology and the ANZ Bank in Hanoi. The same afternoon, SRV President Le Duc Anh cordially received Prime Minister Paul Keating and the Australian distinguished guests.

Editorial Welcomes Keating's Visit

BK1104160294 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 10 Apr 94

[Text] Dear friends: Australian Prime Minister Paul Keating will pay his first official friendship to our country at the invitation of Prime Minister Vo Van Kiet. In today's issue, NHAN DAN carries an editorial pegged to this event entitled: In the Interests of the Vietnamese and Australian Peoples and for the Sake of Peace, Cooperation, and Development. The editorial reads in part as follows:

Following the first official visit to Australia by our prime minister in May 1993, the Vietnam visit by Australian Prime Minister Paul Keating has drawn the attention of broad sections of public opinion in the region and other parts of the world. This important event marks a new developmental step in the friendly and cooperative ties between Vietnam and Australia.

Vietnam and Australia established diplomatic relations in 1973. The friendly and cooperative ties between the two countries have continued to develop with each passing day since then based on the principles of mutual respect, mutual understanding, equality, and mutual benefit. Australia highly valued Vietnam's renovation achievements in all fields as well as Vietnam's foreign policy of diversification and multilateralization and its efforts to improve relations with many countries in the world, especially in the Asia-Pacific region.

Australia lifted its trade embargo at an early date and resumed its development aid for Vietnam. It has also shared its experiences and stepped up cooperation with Vietnam. The cooperative ties between the two countries have been improved step by step. Both sides have worked together toward the goals of implementing agreements on economic and trade cooperation, thereby creating favorable conditions for increasing the value of bilateral trade activities to \$70 million in 1991 from \$2 million in 1982 and to \$252 million in 1992 and then to \$366 million in 1993. Australia has become Vietnam's

seventh trade partner and ranks fifth on the list of foreign investors in Vietnam with 26 projects valued at \$776 million.

Australia has also helped our country with the training of hundreds of specialists; the formulation of laws on mining, telecommunications, and state management over telecommunications; and the enhancement of farm-land irrigation, hydrometeorological, public health, and tourist sectors in which Vietnam has a need and Australia has great potential and high technologies.

Regarding many regional and international issues, Vietnam and Australia have reached more and more consensus on the need for peace, stability, and development in the Asia-Pacific region that the two countries have regarded as the top priority objectives of their foreign policies.

We hope that Prime Minister Paul Keating's official friendship visit to Vietnam will end in success, help strengthen mutual understanding, and lead the multifaceted cooperation between Vietnam and Australia to a higher level, a larger scale, and a broader scope for the sake of each country's prosperity and in conformity with the common trends of peace, cooperation, and development in the Asia-Pacific region.

Australian Adviser on Investment Prospects

BK1104140294 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 11 Apr 94

[Summary] In his article entitled: Vietnam's Economy and Its Investment Prospects, Mr. Graham Alliband, an Australian adviser and director general of Asia-Indochina Limited, analyzes Australia's opportunities for trade cooperation with and investment in Vietnam.

According to Mr. Alliband, Australia made its first inroads into the Vietnam market through the OTCI telecommunications investment program in 1987. Under this program, Australia pledged investment capital of 80 million U.S. dollars. By the end of 1992, Australia became the sixth biggest investor in Vietnam with 22 projects involving a total investment capital of 280 million U.S. dollars.

Recently, BHP Oil Company won a product-sharing contract to exploit oil at the Dai Hung oil field Vietnam's continental shelf. This development may make Australia top the list of foreign investors in Vietnam. BHP's achievement has testified to Australia's high position in Vietnam and also to the attractiveness of BHP bidding procedures.

Australian companies have also taken the lead in helping their Vietnamese counterparts with the exploration of coal, gold, silicate sand, lead, tin, copper, manganese, and precious stones. Australia has also collaborated with the UNDP in helping Vietnam draft a new law on mining exploration.

Thanks to its rich agricultural and marine resources, Vietnam has created conditions for Australian investors to sell their agricultural and food processing technologies. Australia has also expressed its interest in relocating some of its textile, garment, and footwear manufacturing companies to Vietnam. Furthermore, Australia's service industries have made their presence felt in Vietnam. Australia's ANZ Bank was among the first foreign banks to open branches in Vietnam. Some Australian law firms have also provided legal advice to foreign investors in Vietnam. A number of Australian financial companies have also helped Vietnam with access to international financial standards. Recently, some of those companies allowed their branches based in the neighboring countries to operate directly in Vietnam.

Most of Australia's construction companies expressed their interest in Vietnam through the formation of joint ventures, setting up of representative offices, or signing of cooperation agreements. They also applied for the participation in major infrastructure building projects.

Chinese NPC Economic Delegation Arrives in Hanoi

BK1104114294 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 10 Apr 94

[Text] At the invitation of the Vietnamese National Assembly's Economic and Budget Committee, a delegation of the Financial and Economic Committee of the PRC National People's Congress [NPC] led by (Tang Hianlin), member of the PRC NPC Standing Committee and deputy head of the Financial and Economic Committee, arrived in Hanoi on 9 April for a friendship visit to our country.

This morning, the delegation paid a floral tribute to President Ho Chi Minh at his mausoleum, and visited the late president's residence and office.

This afternoon, the delegation of our National Assembly's Economic and Budget Committee led by Mai Thuc Lan, chairman of the committee, held talks with the Chinese delegation led by (Tang Hianlin). Chairman Mai Thuc Lan hailed the delegation's visit to Vietnam, regarding this as a good opportunity to learn about the situation and activities of each country's national assembly and relevant committees.

Chairman Mai Thuc Lan informed the delegation of the essential features of the situation and the many important achievements scored by our people in their renovation process and national construction and changes for the better in the activities of our National Assembly and of its Economic and Budget Committee.

The comrade also exchanged views on some essential issues with the Chinese delegation to help strengthen the friendship and cooperation between the two committees of the two countries' national assemblies.

On behalf of the Chinese delegation, Comrade (Tang Hianlin) expressed his desire to strengthen the friendly and cooperative relations between the two committees on the basis of the time-honored neighborly friendship between the two peoples in the interest of each country.

Deputy Chairman (Tang Hianlin) congratulated the Vietnamese people on the important achievements they scored in their renovation process and spoke of the essential features of the socioeconomic situation, especially those economic achievements scored by the Chinese people in the past.

He also mentioned the activities of the National People's Congress and the Financial and Economic Committee of the Chinese NPC as well as China's 1994 economic reform.

PRC Deputy Forestry Minister Pays Visit

BK0904070694 Hanoi VNA in English 1446 GMT 8 Apr 94

[Text] Hanoi VNA April 8—A delegation of China's Ministry of Forestry led by its Deputy Minister Wang Zhibao arrived here on April 2 for a working visit to Vietnam.

The Chinese delegation had talks with a delegation of the Vietnamese Ministry of Forestry views on the two countries' forestry. The particularly in the management of tropical forests, the management and control of water resources, forestry research and training [in] product processing and the manufacture of forestry machines. The Chinese delegation had working sessions with some forestry institutions and wood processing establishment. It also visited forests in the southern province of Dong Nai.

Military Delegation Departs for China

BK1004071594 Hanoi VNA in English 1531 GMT 9 Apr 94

[Text] Hanoi VNA April 9—A high-ranking military delegation led by Senior Lieutenant Gen. Dao Dinh Luyen, member of the Communist Party of Vietnam Central Committee, vice minister of defence and chief of the General Staff of the Vietnam People's Army left here today for an official friendship visit to China.

The visit is made at the invitation of the chief of the General Staff of the Peoples Liberation Army of China.

Tourism Agreement Signed With China

BK0904102494 Hanoi VNA in English 0658 GMT 9 Apr 94

[Text] Hanoi VNA April 9—An agreement on tourism cooperation between Vietnam and China was signed here yesterday. Signatories were General Director of the Vietnam National Administration of Tourism [VNAT]

Do Quang Trung and General Director of the China General Administration of Travel and Tourism (CGATT) Liu Yi.

The signing ceremony was also witnessed by representatives of the Vietnam governmental office and Chinese Ambassador to Vietnam Zhang Qing.

Earlier, a delegation of VNAT held talks with a delegation of the CGATT to discuss the cooperation in tourism between the two countries.

Agreement Signed With PRC on Goods in Transit

BK1004071894 Hanoi VNA in English 1547 GMT 9 Apr 94

[Text] Hanoi VNA April 9—Vietnam and China signed here today an agreement on goods in transit.

Signatories were Vice Minister of Trade Truong Dinh Tuyen and Chinese Ambassador Extraordinary and Plenipotentiary Zhang Qing.

Under this agreement, Vietnam and China permit each other's commodities to or from a third country to pass through their territories.

The transit goods, which do not include those banned from importation or exportation by the regulations of each country, can go through four border gates.

The accord becomes effective from the date of signing. The duration is three years and can be extended.

Ministry On 'Massacre' of Vietnamese in Cambodia

BK1104154794 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 11 Apr 94

[Text] The SRV Ministry of Foreign Affairs' spokesman on 11 April issued a statement as follows:

1. According to the latest news, a massacre of Vietnamese residents was carried out at 1815 on 9 April at Hamlet No. 8, Troeuy Sla commune, Sang district, Kandal Province in Cambodia. A total of 13 Vietnamese were killed and 27 others were injured. Among those killed were nine children and a women who had recently given birth. The mother was killed, while her baby's arm was amputated. Public opinion in the locality held that the massacre was conducted by the Khmer Rouge in the area.

2. After a series of brutal massacres of Vietnamese residents in Cambodia in the past, this act once again seriously threatens mankind's conscience and boldly tramples on human rights recognized by international conventions. This serious brutal act is obviously aimed at inciting national hatred and damaging the fine tradition of friendship and good-neighborly relations between the Vietnamese and Cambodian peoples.

3. The SRV Government resolutely condemns this new hostile act. It urgently asks King Sihanouk and the Royal Government of the Kingdom of Cambodia to take prompt and effective measures to ensure the safety of the Vietnamese residents in Cambodia so that they may live a peaceful life as citizens of other nations in Cambodia, thereby meeting the spirit and letter of the 3 April 1994 [year as heard] joint communique.

The SRV Government urgently asks the United Nations and signatory countries to the Paris Accord on Cambodia, and justice-loving people in the region and the world to seriously denounce and take resolute actions to stop this brutal act against Vietnamese residents in Cambodia, thereby helping to ensure a peaceful life for them in accordance with the spirit of the Paris Accord and other international documents on human rights.

The SRV Government expresses its profound concern that if the Royal Government of the Kingdom of Cambodia does not take resolute actions against this brutal and barbarous act of the Khmer Rouge, a series of massacres may recur in Cambodia, thereby bringing about unpredicted consequences.

Dated 11 April 1994

DPRK Delegation Visits, Exchanges Views

BK1004105594 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Apr 94

[Text] At the invitation of the SRV Minister of Culture and Information, a DPRK State Commission for Information delegation led by its Vice Chairman Yi Pong-hui paid an official visit to Vietnam from 5-9 April.

During its stay, the DPRK delegation held talks with the Vietnamese Ministry of Culture and Information delegation led by Deputy Minister Nguyen Khoan Dien, visited and worked with key Vietnamese news agencies and newspapers such as NHAN DAN, the VIETNAM NEWS AGENCY, and Vietnamese television and radio stations. It also visited a number of scenic and historical places in Hanoi and Ha Tay Province.

The DPRK delegation was cordially received by comrade Ha Dang, head of the Communist Party of Vietnam Central Committee Ideology and Culture Department and comrade Tran Hoan, minister of culture and information. Both sides expressed their wish to strengthen cooperation between the mass media agencies of the two countries to exchange experiences and improve the performance of their organizations.

Vo Van Kiet Receives ROK Minister, Businessmen

BK0904070094 Hanoi VNA in English 1455 GMT 8 Apr 94

[Text] Hanoi VNA April 8—Prime Minister Vo Van Kiet received here this afternoon Kim U-sok, minister of construction of South Korea, on the latter's working visit to Vietnam.

Minister Kim U-sok informed the Vietnamese Government leader of the results of his working sessions with Minister of Construction of Vietnam Ngo Xuan Loc, and Minister of Transport and Communications Bui Danh Luu. He highly valued the fruitful cooperation between Vietnam and South Korea in the construction field over the past time and stressed: 'Vietnam has human resources, South Korea has technology and capital. So the fine development of the bilateral relations will be helpful for both, thus contributing to accelerating the construction of prosperous country and happy people in each country'.

Earlier today, Minister Kim U-sok and his Vietnamese counterpart signed an agreement on cooperation programme between the two ministers in the coming time. Earlier, on April 4 Prime Minister Vo Van Kiet received here the new president of the steel group Posco Mr. Kim Chong Chin who called on him on his visit to Vietnam. While here, he attended the ground-breaking ceremony to build the iron plant in the port city of Haiphong which is a joint venture between Posco and the Vietnam Steel Cooperation and has a designed capacity of 200,000 tonnes a year. During the reception, Prime Minister Vo Van Kiet highly valued the achievements and experiences of the South Korea's steel branch in general and the Posco Group in particular. He said that with 25-year-construction in the conditions of poor natural resources and labour power, the Posco Group has constantly developed and reached an annual output of 20 million tonnes per year. President Kim Chong Chin affirmed that the Posco Group is always ready to share experiences and expand the cooperation of mutual benefit with the Vietnam steel branch in many fields in conformity with the potentials and interests of the two sides.

Iranian Labor Minister Visits, Begins Talks

LD0104100894 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0900 GMT 1 Apr 94

[Text] Our country's minister of labor and social affairs began his first round of talks with his Vietnamese counterpart in Hanoi last night. Mr. Hoseyn Kamali, who had arrived at Hanoi yesterday for a four-day visit, in his talks with Vietnamese officials will discuss ways of cooperation between the two countries in the fields of technical training, employment, and labor issues. The minister of labour also met the Vietnamese foreign minister yesterday. In the meeting, the Vietnamese foreign minister had hoped that his country's president will visit Iran in the near future.

Further on Swedish Prime Minister's Visit

Vo Van Kiet, Bildt Speak at Banquet

BK0904101694 Hanoi VNA in English 0717 GMT 9 Apr 94

[Text] Hanoi VNA April 9—Prime Minister Vo Van Kiet and Swedish Prime Minister Carl Bildt in their

speeches at the banquet in Hanoi on Thursday in honour of the latter's first official visit to Vietnam since the establishment of the two countries diplomatic relations 25 years ago.

The Vietnamese Government leader highlighted Vietnam's success in its socio-economic development in recent years.

He noted 'with its open foreign policy, Vietnam's relations with other countries and international organizations are developing positively. Vietnam's market is attracting more and more foreign investors'. 'While strengthening and expanding its cooperative relations with other countries in the region, Vietnam also attaches importance to its cooperation with northwest European countries and those that have traditional relations with Vietnam', Prime Minister Kiet stressed.

Regarding the Vietnam-Sweden relations, Mr Kiet said: 'For many years now, the government and people of Sweden have extended precious support and assistance to Vietnam. We specially appreciated Sweden's active assistance to Vietnam during its war for national liberation'.

In reply Swedish Prime Minister Carl Bildt said:

'It is an important milestone in our relationship that today for the first time ever a prime minister from Sweden is visiting your country and is received here in Hanoi as your guest.

'In a number of important areas contacts between our two countries have been close strong during a long period of time in which there has important political changes both in Vietnam and Sweden'. [sentence as received]

Prime Minister Carl Bildt continued:

'Although the issue of Vietnam at that time was controversial also in Sweden, we all agreed that Vietnam was to be one country, and that the people of Vietnam should be free to determine and decide their own affairs without outside interference from whatever side that came'.

Referring to the two countries' relations, the Swedish leader stressed:

'Almost totally dominated by aid in the past, I hope it now will be ever more based on trade, thus facilitating the essential transfer of know-how, skills and technologies'.

'Contacts between Sweden and Vietnam have been strong and firm during the turbulent times of the past. Your country is now entering a truly new era and our joint task is to give our bilateral relationship a new and firm base adjusted to the demands of this new era', Prime Minister Carl Bildt affirmed.

Bildt Holds News Conference

BK1004073194 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 7 Apr 94

[Text] Dear friends, tonight at the government guest house in Hanoi, Swedish Prime Minister Carl Bildt, who is on an official visit to our country, held a news conference. A large number of journalists from various domestic and international news agencies, newspapers, and radio and television stations attended the conference. In opening the news conference, the Swedish Prime minister said:

[Begin Bildt recording in English fading into Vietnamese translation] I came here—this is the first time a prime minister of Sweden has come to Vietnam—in order to primarily broaden the relationship between the two countries. We have seen important political and economic changes in Vietnam, Sweden, and all of Southeast Asia. Therefore, we want to develop our relations so they can reflect these important changes. In the past, our relations consisted mainly of aid. Now they have developed to other areas such as technology transfer and economic cooperation. The development will be based on experiences obtained through the years of our relationship.

Experience shows that some countries receive significant amounts of aid from the world community but still have not developed much. And at the same time we have also seen other countries who scarcely receive any international aid, yet have progressed and obtained encouraging results. In the development of relations, economic renovation should be taken into account, and it will be reflected in the relations between Sweden and Vietnam in the future.

Today I had a discussion with His Excellency [H.E.] the prime minister, H.E. the president, H.E. the foreign minister, and H.E. the chairman of the National Assembly. Yesterday I visited Ho Chi Minh City, and today I visited various places in Hanoi where I witnessed the dynamic motivation of our Vietnamese friends, and the existence of this dynamic motivation proves that Vietnam is moving in the right direction. [end recording]

Prime Minister Carl Bildt then answered many questions raised by Vietnamese and international journalists. On a question about future relations between Vietnam and Sweden, the prime minister said:

[Begin Bildt recording in English fading into Vietnamese translation] We will have a detailed discussion concerning long-term strategy for development assistance here in Hanoi between Swedish and Vietnamese representatives at the end of April. In the past we decided on a total amount of aid and left it to the Vietnamese side to decide how to use it. This method has proven to be erratic at times and we have been looking for ways to change the situation. Now we will consider each strategic concrete need. We will continue to assist programs that have been initiated in the past, such as health programs.

The assistance will be focused on areas that carry important significance for the economic renovation of Vietnam. We will assist the legal system to help Vietnam build a law-governed society. There should also be a banking and finance system that suits a market-driven economy. [end recording]

Also in the news conference, Prime Minister Carl Bildt answered many questions about his official visit to Vietnam.

Tonight at the Presidential Palace, Prime Minister Vo Van Kiet feted the Swedish prime minister and other guests in the delegation.

Swedish Prime Ministr Ends Visit

BK0904065894 Hanoi VNA in English 1455 GMT 8 Apr 94

[Text] Hanoi VNA April 8—Swedish Prime Minister Carl Bildt and his party left Hanoi this morning, ending his 3-day official friendship to Vietnam. Prime Minister Carl Bildt and his party were seen off by Foreign Minister Nguyen Manh Cam and many other Vietnamese high-ranking officials. Prime Minister Carl Bildt asked Foreign Minister Nguyen Manh Cam to convey this thanks to Prime Minister Vo Van Kiet for his hospitality.

The Swedish prime minister noted that the Swedish and Vietnamese Governments would implement commitments and agreements on the friendship and cooperation between the two countries. He highly appreciated the achievements recorded by the Vietnamese people in the national renovation and stressed that the Vietnamese people will have a bright future that is not only for the Vietnamese people's interests but also for consolidating stability in the region and help the Vietnam-Swedish cooperation further develop. Foreign Minister Nguyen Manh Cam, for his part, wished Prime Minister Carl Bildt and his party a good trip and many successes in his noble mission.

Deputy Foreign Minister Nguyen Dy Nien and Swedish Ambassador to Vietnam Mats Aberg were also on hand.

Vo Van Kiet Meets British Minister of State

BK1004072494 Hanoi VNA in English 1555 GMT 9 Apr 94

[Text] Hanoi VNA April 9—Prime Minister Vo Van Kiet this afternoon received here British Minister of State Alastair Goodlad and other British businessmen now on a working visit to Vietnam as guests of Foreign Minister Nguyen Manh Cam.

The prime minister held that the friendly cooperative relations between Vietnam and Britain have well developed in accordance with the two peoples' aspiration and in line with the global and regional trend. He extended his thanks to the British Government for its assistance particularly in financial field in the past as well as in Mr

Alastair Goodlad's current Vietnam visit. Prime Minister Vo Van Kiet also expressed his hope that with the result of Mr. Alastair Goodlad's visit, the cooperative relations between Vietnam and Britain will enter a new stage of development, and that with their potential and experience, British businessmen will broaden their cooperation with Vietnam in major, medium and small-sized projects for mutual benefit.

Mr. Alastair Goodlad spoke of his deep impression on the achievements recorded by the Vietnamese people in their economic development process, and national reconstruction. He highly appreciated the effective cooperation of the Vietnamese Government in organizing the voluntary repatriation of Vietnamese refugees from Hong Kong camps. Mr. Alastair Goodlad affirmed that British Government would actively participate in economic development in Vietnam in conformity with the two nations' benefit and the friendly relations between the two countries.

British businessmen accompanied Mr Alastair Goodlad expressed their wishes to cooperate with and invest in Vietnam in the construction of infrastructure, facilities and technique, transfer of know-how and to share with Vietnam their experience, and to assist Vietnam in personnel training in transportation, oil and gas, aviation, finance, banking and consultancy.

Prime Minister Kiet encouraged them to make contacts with Vietnamese partners as soon as possible and expressed his hope that any cooperative investment projects would be realized.

Minister Holds News Conference on Budget

BK1004121994 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Apr 94

[Text] In Hanoi on 9 April, the Ministry of Finance held a news conference on Vietnam's financial situation in the first quarter of 1994, with Minister Ho Te chairing.

In the first quarter of this year, gross collection of state revenues was 17.3 percent of the year's plan or a 34 percent increase when compared with the corresponding period last year; while expenditure was 17 percent of the set target, or an increase of 33 percent when compared to the same period last year. It is expected that 23.6 percent of this year's revenues will be collected in the second quarter.

To fulfill the set targets in the second quarter and the first half of this year, the Ministry of Finance is supervising various units to help issue guiding documents for localities to improve their collection of state revenues, management of local budgets, and settlement of capital depreciation. The ministry called for efforts to quickly perfect the law on transfer of rights to land use, the law on state budget, regulations on land and house taxes, and regulations on income taxes. It also urged agencies concerned to formulate plans to mobilize capital at home and abroad to offset the budget deficit, improve and

perfect the tax collection system, and design measures to oppose waste and prevent losses of state capital.

Do Muoi Attends Conference in Khanh Hoa

BK1004112894 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 8 Apr 94

[Text] According to a Central Vietnam-based Voice of Vietnam Radio correspondent, from 7-8 April, the Khanh Hoa Province party organization convened a two-day conference of cadres. Comrade General Secretary Do Muoi attended and addressed the conference.

The conference thoroughly studied the Mid-Term National Party Conference Resolution and discussed the report on the local socioeconomic development over the past three years and on the orientations and tasks for the 1994-95 two-year period.

According to the report, the value of agricultural products has increased by three percent per year and that of marine products by 20-25 percent compared with 1990. The annual growth rate of agricultural production has increased by more than seven percent. The total value of budget revenues has increased by nearly five times compared with 1990. Most of the economic targets set by the province have been fulfilled or overfulfilled. Cultural, scientific, educational, and public health services have also made improvements. The people's right of mastership has been developed step by step. Positive results have also been recorded on the national security and national defense front.

The conference also analyzed shortcomings and weaknesses and discussed measures to overcome disunity that has dragged on and on and seriously affected local socioeconomic development. The conference focused on major objectives that must be fulfilled during the 1994-95 two-year period. It is necessary to continue to effect

changes in the economic structure in the direction of industrialization, agriculture, service industry, and tourism. Efforts must be made to effect an average annual increase of eight-nine percent in gross domestic product. Measures must be taken to improve the people's material and cultural life a step further. It is necessary to attract and make good use of the contingent of scientific-technological and management cadres. Plans must be worked out to promote educational and vocational training activities. Steps must be taken to renovate the operating procedures of state agencies, fight the evils of corruption and red tape, consolidate political stability, firmly maintain national security and national defense, and renovate and strengthen party leadership over grassroots establishments and the masses.

Speaking on this occasion, Comrade General Secretary Do Muoi commended the Khanh Hoa Province party organization and people for their achievements over the past three years. He stressed the need for Khanh Hoa to step up industrialization, deep-sea fishing, and aquaculture as well as link efforts to protect marine resources with endeavors to defend the Fatherland.

The comrade general secretary pointed out Khanh Hoa's geographical role and responsibility toward the task of developing public healthcare and national security and defense systems in the island district of Truong Sa and at Cam Ranh Bay. He also reminded the Khanh Hoa Province party organization of the need to satisfactorily carry out party-building work, promote internal unity, and devote efforts to directing the local army and people in building Khanh Hoa into a prosperous, powerful, and civilized province.

The conference also informed the participants of the Secretariat's decision to remove 11 comrades from the Khanh Hoa Province party organization's provisional executive committee and supplement the committee with 13 other comrades.

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